

## SENATE

WEDNESDAY, JUNE 20, 1962

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Almighty God, still omnipotent when the world seems falling to pieces all around us, help us in the midst of the whelming flood to stay our minds in the strength of the everlasting values which nothing can destroy.

Amid all the distraction of the complicated modern life in which our lot is cast, keep our hearts childlike and trustful, free from corroding pessimism, so that the gates of the realm of wonder, closed to the merely clever and conceited, may be opened unto us as we turn to Thee, our God, in the simplicity as it is in Christ, our Lord. In His spirit and in His passion for others, strengthen us to dedicate all we have and are to help heal the open sores of the stricken earth.

In His name we ask it. Amen.

## THE JOURNAL

On request of Mr. HUMPHREY, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, June 19, 1962, was dispensed with.

MESSAGES FROM THE PRESIDENT—  
APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on June 19, 1962, the President had approved and signed the act (S. 2865) for the relief of Ferdinand A. Hermens.

## LEAVE OF ABSENCE

Mr. RUSSELL. Mr. President, I ask unanimous consent that I may be excused from attendance on the sessions of the Senate commencing at 3 o'clock tomorrow afternoon and on Friday and Saturday following.

The VICE PRESIDENT. Without objection, it is so ordered.

LIMITATION OF DEBATE DURING  
MORNING HOUR

Mr. HUMPHREY. Mr. President, I ask unanimous consent that statements during the morning hour shall be limited to 3 minutes.

The VICE PRESIDENT. Without objection—

Mr. LONG of Louisiana. Mr. President, reserving the right to object to that request, let me say that I have in mind making a statement which will take perhaps 15 or 20 minutes. If the Senator from Minnesota would modify his request, so as to provide that statements in the morning hour shall be limited to 3 minutes until such time as all Senators who wish to make 3-minute statements in the morning hour have

been heard, I shall be willing to agree to the request.

Mr. HUMPHREY. Let me say that such an accommodation is made regularly, and we would be agreeable to that arrangement.

The VICE PRESIDENT. Does the Senator from Louisiana withdraw his objection?

Mr. LONG of Louisiana. Yes, on the basis stated. In other words, I understand that if I wish to proceed for 15 minutes, that much time will be granted me.

Mr. HUMPHREY. Yes.

The VICE PRESIDENT. Without objection, the request is agreed to.

EXECUTIVE COMMUNICATIONS,  
ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON DEVELOPMENT OF ADVANCED  
SATURN LAUNCH VEHICLE

A letter from the Administrator, National Aeronautics and Space Administration, Washington, D.C., reporting, pursuant to law, on the development of and research on the second stage of the Advanced Saturn launch vehicle (S-II); to the Committee on Aeronautical and Space Sciences.

## REPORT ON TITLE I AGREEMENTS UNDER AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

A letter from the Administrator, Foreign Agricultural Service, Department of Agriculture, transmitting, pursuant to law, a report on agreements concluded during May 1962 under title I of the Agricultural Trade Development and Assistance Act of 1954 (with accompanying papers); to the Committee on Agriculture and Forestry.

## AUTHORIZATION OF CERTAIN EXPENSES IN GOVERNMENT OF THE DISTRICT OF COLUMBIA

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to authorize certain expenses in the government of the District of Columbia, and for other purposes (with an accompanying paper); to the Committee on the District of Columbia.

REPORT ON FOREIGN CURRENCIES IN THE  
CUSTODY OF THE UNITED STATES

A letter from the Secretary of the Treasury, transmitting, pursuant to law, a report on foreign currencies in the custody of the United States, as of December 31, 1961 (with an accompanying report); to the Committee on Foreign Relations.

RESOLUTION ON INTERNATIONAL  
SOCIAL WELFARE BY NATIONAL  
JEWISH WELFARE BOARD

Mr. HUMPHREY. Mr. President, I invite the attention of my colleagues to a resolution adopted by the National Jewish Welfare Board in support of the provision of welfare attachés to our American embassies abroad to advise in the social welfare problems of the host countries.

This resolution was adopted at the National Jewish Welfare Board's convention this past April in Miami Beach, Fla.

This is a subject in which I have had a great interest and I have on various occasions spoken in the Senate on the need for a social welfare attaché pro-

gram by the State Department. I am pleased indeed to learn of this resolution by the National Jewish Welfare Board and I do hope that our State Department will give serious attention to implementing such a program.

I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ON INTERNATIONAL SOCIAL  
WELFARE

Through its active participation in the work of the World Federation of YMHA's and Jewish Community Centers, the National Jewish Welfare Board has experienced the need for adequate technical assistance programs in the field of international social welfare.

Whereas the National Jewish Welfare Board has seen the value of such assistance, available from the American Specialists Branch and the Foreign Specialists Branch of the Bureau of Education and Cultural Affairs of the Department of State, whereby center field specialists have been sent abroad and Jewish youth workers in foreign countries assisted in coming to the United States for center orientation and training; and

Whereas the National Jewish Welfare Board recognizes the fact that governmental and private financial resources available for such work in the international social welfare field are limited and that steps should be taken to expand programs that will further the Nation's international goals: Now, therefore, be it

*Resolved*, That the National Jewish Welfare Board urge the expansion of the programs of the American Specialists Branch and the Foreign Specialists Branch of the Bureau of Educational and Cultural Affairs of the Department of State; and be it further

*Resolved*, That the National Jewish Welfare Board support the provision of social welfare attachés to American embassies abroad to advise in the social welfare problems of the host countries.

Adopted by JWB Biennial Convention, Miami Beach, Fla., April 1962.

## REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. ROBERTSON, from the Committee on Banking and Currency, without amendment:

S. 3291. A bill to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury (Rept. No. 1606).

## BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SPARKMAN (by request):

S. 3443. A bill to authorize the chartering of organizations to insure conventional mortgage loans, to authorize the creation of secondary market organizations for conventional and other mortgage loans, to authorize the issuance of debentures upon the security of insured or guaranteed mortgages, and to create a joint supervisory board to charter and examine such organizations, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. SPARKMAN when he introduced the above bill, which appear under a separate heading.)

By Mr. KEATING:

S. 3444. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit donations of surplus personal property to State agencies for use by volunteer firefighting organizations; to the Committee on Government Operations.

(See the remarks of Mr. KEATING when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY:

S. 3445. A bill to declare Leech Lake, Cass Lake, and Winnibigoshish Lake in the State of Minnesota to be nonnavigable waters for certain purposes; to the Committee on Commerce.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. ELLENDER (by request):

S. 3446. A bill relating to soil bank contract violations; to the Committee on Agriculture and Forestry.

By Mr. BEALL:

S. 3447. A bill for the relief of the Prince Georges County School Board, Maryland; to the Committee on the Judiciary.

By Mr. BIBLE (for himself and Mr. CANNON):

S. 3448. A bill to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the county of Lincoln, State of Nevada; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. BIBLE when he introduced the above bill, which appear under a separate heading.)

By Mr. SMITH of Massachusetts:

S. 3449. A bill for the relief of Pangiotis Liberopoulos; to the Committee on the Judiciary.

By Mr. SPARKMAN (by request):

S. 3450. A bill to provide for adjustments in the annuities under the Foreign Service retirement and disability system; to the Committee on Foreign Relations.

(See the remarks of Mr. SPARKMAN when he introduced the above bill, which appear under a separate heading.)

By Mr. CHURCH:

S. 3451. A bill to provide relief for residential occupants of unpatented mining claims upon which valuable improvements have been placed, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. CHURCH when he introduced the above bill, which appear under a separate heading.)

By Mr. SYMINGTON:

S. 3452. A bill for the relief of Dr. Hassen M. Nouri; and

S. 3453. A bill for the relief of Dr. Felix Nabor Sabates.

#### MORTGAGE MARKET FACILITIES ACT OF 1962

Mr. SPARKMAN. Mr. President, by request, I introduce, for appropriate reference, a bill to authorize first, the chartering of corporations to insure conventional mortgages; second, the chartering of corporations to buy and sell such mortgages in the secondary market; and, third, the establishment of a joint board to supervise the activities of such corporations.

The proposal to establish these new corporations and the supervisory joint board is made as the result of a study recently completed by a national mortgage market committee, a group of outstanding experts representing a cross section of all segments in the homebuilding, real estate, and mortgage lending fields, brought together largely through the efforts of the American Bankers

Association. The national committee intends that the new facilities would be industrywide and would serve the needs of all lenders engaged in mortgage financing.

The purpose of establishing these new corporations and the joint board is to improve the facilities of the conventional mortgage market and to make it operate more effectively, so that the general public will have the benefit of efficient home mortgage financing at the lowest possible cost. Since the conventional mortgage market makes up close to two-thirds of the total mortgage market, this appears to be a well worthwhile objective.

In brief, the bill is designed to do for the conventional mortgage what the Federal Housing Administration and Federal National Mortgage Association have done for the Government-insured mortgage.

The insuring corporations proposed by the bill would make insurance available to lenders who enter into conventional mortgage loans—that is, mortgage loans other than FHA-insured and VA-guaranteed loans. Conventionally insured mortgages would then be available for marketing through the secondary market corporations, much in the same way that FHA and VA mortgages can be marketed through the FNMA. The insurance and secondary market corporations would be privately owned and financed, but would be subject to supervision by a joint board which would be appointed by the President. Members of the board would be made up of persons from the mortgage financing industry, as well as from Federal Government agencies.

The main problem of the conventional mortgage market has been the personal character of the conventional mortgage, and its consequent lack of national marketability. This becomes especially significant during times when the demand for housing is at a peak and when potential mortgage funds do not flow into the mortgage market.

The expected increase in the housing demand during the latter part of this decade and during the 1970's makes it highly desirable for the mortgage lending industry to put its house in order at this time.

I have felt for a long time that improvements need to be made in the mortgage market if we are to meet the needs to provide home financing for the 16 to 20 million households that will be formed in the next 10 years. The war babies of the late forties will represent that bulk of this new demand for homes in the late sixties. Thus, it is not too early to gear up our financing resources, so as to be ready to meet the demands these new family formations will cause.

The bill, by providing for insurance of conventional mortgages fully on the basis of adequate standards and adequate reserves, would generalize the currently personal nature of the mortgage. This would make the conventional mortgage eligible for national trading. In addition, the bill provides for corporations designed to facilitate such trading. Since some investors prefer debentures backed by mortgages to actual mortgage investments, the marketing corporations

also would be empowered to issue debentures against insured mortgage collateral.

I am introducing this bill for study; and I hope that those in the mortgage lending and banking fields will give it close scrutiny, and will come forward with any new ideas or proposals which will carry out the purposes of the bill. Although I do not expect action on the bill this year, I am hopeful that early in the next session of Congress we can hold hearings on the bill and on any other proposals which may have been made, and that we may thereafter send to the Senate legislation that will achieve the objectives for which this bill is designed.

I ask unanimous consent that a summary of the bill be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the summary will be printed in the RECORD.

The bill (S. 3443) to authorize the chartering of organizations to insure conventional mortgage loans, to authorize the creation of secondary market organizations for conventional and other mortgage loans, to authorize the issuance of debentures upon the security of insured or guaranteed mortgages, and to create a joint supervisory board to charter and examine such organizations, and for other purposes, introduced by Mr. SPARKMAN, by request, was received, read twice by its title, and referred to the Committee on Banking and Currency.

The summary presented by Mr. SPARKMAN is as follows:

#### SECTION-BY-SECTION SUMMARY OF MORTGAGE MARKET FACILITIES ACT OF 1962

##### TITLE I—SHORT TITLE, STATEMENT OF PURPOSE, AND DEFINITIONS

Section 101. Short title: Contains a table of contents and provides that the act may be cited as the "Mortgage Market Facilities Act of 1962."

Section 102. Statement of policy: Provides that "the Congress desires to make additional facilities available to increase the market for conventional and insured mortgages as a means of improving the housing conditions of the American people."

Section 103. Definitions: Provides definitions of the following terms used throughout the act: "Joint Board," "Chairman," "mortgage," "first mortgage," "mortgage insurance corporation," "mortgage marketing corporation," "person," and "United States."

##### TITLE II—JOINT SUPERVISORY BOARD FOR MORTGAGE INSURANCE AND MARKETING CORPORATIONS

Section 201. Establishment: Provides for the creation of a Joint Supervisory Board for Mortgage Insurance and Marketing Corporations (Joint Board) to consist of five members, with its principal office in the District of Columbia.

Section 202. Chairman and directors: Subsection (a) provides for the appointment of the chairman of the Joint Board by the President, by and with the advice and consent of the Senate. The chairman is to serve a 6-year term at a salary of \$\_\_\_\_\_ per annum. Subsection (b) provides that in addition to the chairman, the directors of the Joint Board shall be the Comptroller of the Currency, the Chairman of the Federal Home Loan Bank Board, and the Chairman of the Federal Deposit Insurance Corporation, all ex officio; and a person appointed by the President from among per-



sons recommended by the supervisors of banking in the various States who shall serve for a term of 6 years at a stated salary. All decisions of the board to be effective shall require the affirmative vote of at least three directors, at least one of whom shall be other than an ex officio director.

Section 203. General powers: Subsection (a) provides the Joint Board with power to charter, audit, inspect, and examine corporations organized under the act, to require such corporations to prepare and file reports, to subpoena witnesses, to hold hearings, and to issue rules and regulations. The Joint Board is to send an annual report to Congress. Subsection (b) pertains to employees of the Joint Board. Subsection (c) allows the Joint Board to avail itself of the use of information, services, and so forth, of other Government agencies.

Section 204. Taxation provisions: Provides that corporations organized under this act shall be subject to taxation to the same extent as State-chartered corporations.

Section 205. Expenses: Authorizes appropriations as may be necessary for salaries and other necessary expenses of the Joint Board.

Section 206. Forfeiture of charter: Establishes a procedure for involuntary forfeiture of the charter of a corporation established under this act and liquidation of same.

Section 207. Injunction: Provides that the Joint Board may bring an action to enjoin a violation of the act and to enforce compliance with the act.

Section 208. Removal of director, officer, or other personnel: Provides for a procedure whereby the Joint Board may cause a director, officer, attorney, employee, or agent of a corporation organized under the act to be removed for cause.

#### TITLE II—MORTGAGE INSURANCE CORPORATIONS

Section 301. Establishment: Provides for the chartering by the Joint Board of mortgage insurance corporations upon the approval of an application submitted by not less than five natural persons of good repute.

Section 302. Insurance authorization: Subsection (a) authorizes a mortgage insurance corporation organized under this act to: (1) insure not less than 100 percent of the unpaid principal and interest on loans in the form of obligations secured by mortgages on one- to four-family residential properties; and (2) establish, through action by the Board of Directors, an adequate insurance premium for such insurance which shall be set, and the initial capital be allocated, so that there shall be maintained at all times unimpaired capital, surplus, and undivided profits in an aggregate amount, upon the basis of market value, of not less than 5 percent of the unpaid principal amounts of all outstanding contracts of mortgage insurance. At least 50 percent of the capital shall be invested in obligations of or guaranteed by the United States and the remainder in other obligations or securities approved by the Joint Board. All other funds shall be safely invested with due regard to the purpose of the corporation. Subsection (b) provides that a loan insured by a mortgage insurance corporation shall have a maximum term not exceeding 30 years; shall be secured by an amortized mortgage, deed of trust, or other such instrument under the terms of which payments shall be made in equal amounts from month to month and are sufficient to: (1) amortize the entire principal of the loan within the period ending on the date of its maturity; (2) cover interest applicable to each payment period; and (3) cover the premium applicable to each payment period; shall have a loan-to-value ratio not exceeding 90 percent of appraised value as approved by the corporation or sales price, whichever is less; shall be in an amount not exceeding \$30,000; shall be on a one- to four-family residential property which is or will be occupied in whole or in part by the mortgagor;

and shall be originated and serviced by an organization approved by the mortgage insurance corporation.

Section 303. Payment: Provides that: A mortgage insurance corporation organized under this title shall pay in cash without delay the insurance claims of any applicant submitting appropriate evidence of ownership of a defaulted loan insured under authority conferred by this act, but such payment shall not be made until: (1) there is a default in any payment of principal or interest on the loan or the insurance premium and such default is not cured by subsequent payment in not less than 91 days; and (2) the mortgagee conveys to the mortgage insurance corporation clear title to the property; and (3) the mortgagee assigns to the mortgage insurance corporation all claims of the mortgagee against the mortgagor or others, arising out of the mortgage transaction, except such claims as may have been released with the consent of the Joint Board. Such payment shall include interest and allowances (including foreclosure costs) from time of default as approved under regulations of the Joint Board in effect at the time the mortgage was insured.

Section 304. Succession: Provides that: "Each mortgage insurance corporation organized under this title shall have succession from the date of its organization unless it is dissolved by act of its shareholders or its franchise becomes forfeited by order of the Joint Board."

Section 305. General powers: Empowers mortgage insurance corporations to adopt and use a corporate seal, to adopt bylaws, to make contracts, etc.

Section 306. Citizenship: Provides that a mortgage insurance corporation shall be deemed a citizen of the State in which its principal office is located.

Section 307. Capital requirements: Provides that the minimum subscribed initial capital shall be \$25 million and shall be represented by shares of stock each with a par value of \$100. No authorization to commence business shall be granted by the Joint Board to any mortgage insurance corporation until the Joint Board is satisfied that initial capital in the amount of not less than \$5 million par value has been subscribed for at not less than par and paid in full in cash.

Section 308. Directors and officers: Provides for a board of directors of at least nine, to be elected by the shareholders. The board of directors is to elect the officers.

#### TITLE IV—MORTGAGE MARKETING CORPORATIONS

Section 401. Establishment: Provides for establishment of mortgage marketing corporations in the same manner as is provided for mortgage insurance corporations in section 301 above.

Section 402. Trading and debenture-issuing authorization: Authorizes mortgage marketing corporations to: (1) purchase, sell, and service mortgages on one- to four-family residential property and which are insured by a mortgage insurance corporation or insured or guaranteed by an agency of the United States; (2) publish data with respect to mortgages; (3) issue, with the approval of the Joint Board, and to have outstanding bonds, notes, or other obligations up to a maximum of 20 times the sum of its capital, surplus, reserves, and undistributed earnings; (4) set underwriting fees, maturities, interest rates, etc., within the limits of standards prescribed by Joint Board regulations; and (5) purchase its outstanding obligations in the open market.

Section 403. Succession: Section 404. General powers; Section 405. Citizenship: Provisions identical to those pertaining to mortgage insurance corporations in sections 304, 305, and 306 above.

Section 406. Capital requirements: Provides that "A mortgage marketing corporation shall have a minimum initial subscribed

capital of \$5 million, which shall be represented by shares of stock each with a par value of \$100."

Section 407. Directors and officers. This provision is identical to section 308 above, which pertains to mortgage insurance corporations.

#### TITLE V—CHANGES IN RELATED STATUTES

Section 501. National Bank Act: Subsection (a) amends paragraph 7 of section 5136, U.S. Revised Statutes (12 U.S.C. 24) so as to permit a national bank to purchase for its own account shares in mortgage insurance corporations and/or mortgage marketing corporations in an amount not exceeding 5 percent of the capital and surplus of the bank in either type of corporation.

Subsection (b) amends the same statute so as to permit a national bank to deal in, underwrite and purchase for its own account, obligations of mortgage marketing corporations.

Section 502. Federal Reserve Act: Amends section 24 of the Federal Reserve Act (12 U.S.C. 371) so as to exempt corporations organized under the act from the maturity and loan-value percentage limitations of that section.

Section 503. Federal Home Loan Bank Act: Amends section 11 of the Federal Home Loan Bank Act (12 U.S.C. 1464(c)) so as to permit a Federal home loan bank to invest assets in obligations of mortgage marketing corporations to the same extent as it may invest in obligations of the United States, in obligations of the FNMA, and in other securities under present law.

Section 504. Home Owners Loan Act: Amends section 5(c) of the Home Owners Loan Act so as to permit a Federal savings and loan association, within certain limits, to invest in stock of mortgage insurance corporations and mortgage marketing corporations, and in obligations of the latter.

Section 505. Securities Act of 1933: Exempts securities issued by mortgage insurance corporations and by mortgage marketing corporations from the requirements of the Securities Act of 1933.

Section 506. Investment Company Act of 1940: Exempts mortgage insurance corporations and mortgage marketing corporations from the Investment Company Act of 1940.

#### SURPLUS PROPERTY FOR VOLUNTEER FIREFIGHTERS

MR. KEATING. Mr. President, one of the strongest traditions of American life, with its roots deep in colonial history, is that of volunteer community service—service, without recompense, for the general welfare of the whole community. Among the most important and most effective of the groups which have rendered this kind of service are the volunteer firefighters. I am sure that many of my colleagues can join me in recalling in the distant days of childhood the excitement of a fire, the hectic bucket brigade, and all the other vivid memories of volunteer firefighting which have lasted down to the present, undiminished in colorful detail.

As America has grown, of course, the volunteers have in many instances had to step aside for the stationhouse regulars. In our big cities, only full-time professionals can do the job. But volunteers have certainly not disappeared. In many communities they are still the only firefighters; and in many other areas they constitute an important supplemental force.

The volunteer firefighters are a vital element of town life today; but their

plight is not always a happy one. In many communities, equipment is old, outmoded, and virtually unusable. In most of these towns and villages, funds for replacements are scarce. Tax rates are already high, for educational and public health improvements. But there is a simple way in which we can help the public-spirited volunteer firefighters.

The firefighters are not asking for, and do not need, an application of the "Washington reflex"; we do not have to pour huge sums of money on their problem. But there is an easy way in which the Congress and the Government of the United States can help.

The Federal Property and Administrative Services Act of 1949, as amended, provides for the donation of certain classes of surplus Government property to the States, for the purposes of education, public health, and civil defense. Included among these classes of donable property are materials and equipment—particularly truck chassis and water tanks—which would be invaluable to the volunteer firefighting associations. I have received from such organizations many letters telling of their attempts to secure such equipment for use in their communities. The Federal Government's answer is always the same, and always discouraging: fighting fires does not, under the existing law, qualify as a civil defense activity.

Mr. President, this legal loophole should be closed. If firefighting cannot now be construed legally as civil defense, it certainly ought to be. Today, I am introducing a bill which would correct this unfortunate situation, and would make volunteer firefighting companies eligible for the surplus property donations program, by specifically including volunteer firefighters within the scope of civil defense. The costs involved could hardly be more minimal; the benefits of modern, workable firefighting equipment to countless communities throughout the Nation could hardly be greater.

In our Nation's folklore, the marvelous stories about fires and bucket brigades involve nothing more complicated than a pile of wooden buckets. Today, somewhat regrettably, life has become more complicated, and the buckets have turned into trucks. In introducing this bill, Mr. President, I respectfully urge my colleagues in the Senate to consider it carefully; I urge them to consider what it means. It is the Congress' responsibility to "promote the general welfare." The bill which I now introduce would be, in my opinion, a fine way to implement that responsibility.

Mr. President, I introduce this bill, and ask that it be printed and referred to the appropriate committee.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3444) to amend the Federal Property and Administrative Services Act of 1949 to permit donations of surplus personal property to State agencies for use by volunteer firefighting organizations, introduced by Mr. KEATING, was received, read twice by its title, and referred to the Committee on Government Operations.

#### PROPOSED DECLARATION OF LEECH LAKE, CASS LAKE, AND WINNIBIGOSHISH LAKE TO BE NONNAVIGABLE WATERS

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to declare Leech Lake, Cass Lake, and Winnibigoshish Lake to be non-navigable waters of the United States.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3445) to declare Leech Lake, Cass Lake, and Winnibigoshish Lake in the State of Minnesota to be nonnavigable waters for certain purposes, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Commerce.

Mr. HUMPHREY. Mr. President, I offer this proposed legislation to correct a situation which has arisen in the Leech Lake area of Minnesota in recent months which has caused great concern and apprehension to the members of that community.

By way of background, late last year the Coast Guard announced that it would enforce on the lakes that I have mentioned the Federal navigation and vessel inspection laws, such as the Motorboat Act of 1940 which regulates equipment on certain vessels and the safe operation of all vessels; the Small Passenger-Carrying Vessel Inspection Act, which established inspection standards for small passenger-carrying vessels; and the Federal Boating Act of 1958, which requires that certain undocumented motorboats be numbered.

Although these laws have been on the statute books for some time, it was not until late last year that the Coast Guard decided to enforce this safety program in the Leech Lake area. The reason which it gives for not having done so prior to this time is limitations of personnel and equipment which made enforcement impossible.

As I have said, the people from the Leech Lake area have been most disturbed by the Coast Guard's announcement and they find it quite difficult to understand why all of a sudden the Federal Government should enter into this area—especially when there is no evidence that the State of Minnesota is not adequately inspecting and regulating crafts on Leech Lake, Cass Lake, and Winnibigoshish Lake. As a matter of fact, in 1959 the Minnesota State Legislature enacted a boat and water safety act which called for the inspection and enforcement of regulations with regard to the craft operated upon the waters of the State of Minnesota. As a result of this act of the Minnesota Legislature, there is a full-time paid deputy sheriff in Cass County who does nothing but supervise the administration of the law, inspection of boats and the enforcement thereof in the Leech Lake area. This is the first time that they ever had this needed service in the Leech Lake area, and everyone concerned was most pleased with it and it worked out quite satisfactorily. But the Coast Guard's own admission, the Minnesota law "incorporates all the requirements of the Federal boating laws."

Not only is there quite adequate inspection of boats in the Leech Lake area at the present time by way of the action of the State legislature, but also I find it difficult to believe that the Congress in enacting the statutes to which I have referred ever contemplated that they would be used to cover the Leech Lake area. The Coast Guard has determined that Leech Lake is part of the navigable waters of the United States. From a strictly technical point of view this might be the case, but I can tell my colleagues that as a practical matter Leech Lake can certainly not be considered navigable. The Coast Guard argues that Leech Lake in its original condition was part of the network of waters used in that area to transport goods in commerce. This, however, was before the construction of a Federal dam which was erected to control the water level of the lake. I can state without fear of successful contradiction that while Leech Lake in the dim distant past might have been part of a navigable chain of lakes, such is not the case today. Anyone who knows the Leech Lake area would laugh at any suggestion that it would be so considered.

Therefore, I believe that the Federal legislation in this regard was never intended to cover the Leech Lake area.

To put it plainly, this as an area where the Coast Guard does not need to use its personnel. I suggest, if the Coast Guard has extra personnel, they be used on the coast in operations where they are required.

In view of the fact that there is adequate boat regulation in the area now by way of the action of the State of Minnesota, I ask that this bill be promptly considered, reported, and enacted into law to correct a situation which has been a matter of great concern to the people of that area.

#### CONVEYANCE OF CERTAIN PUBLIC LANDS TO LINCOLN COUNTY, NEV.

Mr. BIBLE. Mr. President, on behalf of my colleague, the junior Senator from Nevada [Mr. CANNON] and myself, I introduce, for appropriate reference, a bill to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the county of Lincoln, State of Nevada.

At the present time, the Federal Government owns about 87 percent of the 110,000 square miles that make up the land area of Nevada. Most of its communities are landlocked as a result of these tremendous Federal holdings. In addition, Lincoln County has been adversely affected by the closing of its lead-zinc mines. Local people have been unable to interest industry to move into the county because of the lack of land for such purposes. By making this land available to the community, it is hoped that those citizens who have been distressed through the closing of the mines will have an opportunity to rehabilitate themselves in some other type of industry. The bill provides that the 2,900 acres of land will be sold to the county after appraisal for its fair market value.



This legislation is vitally needed, and I trust it will receive prompt attention by the Congress.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3448) to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the county of Lincoln, State of Nevada, introduced by Mr. BIBLE (for himself and Mr. CANNON), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

#### ADJUSTMENTS IN FOREIGN SERVICE ANNUITIES

Mr. SPARKMAN. Mr. President, by request, I introduce, for appropriate reference, a bill to provide for adjustments in the annuities under the Foreign Service retirement and disability system.

The proposed legislation has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right of course, to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill may be printed in the RECORD at this point, together with the letter from the Assistant Secretary of State, Mr. Dutton, dated March 3, 1962, and an explanation of the bill prepared by the Department of State.

The VICE PRESIDENT. The bill will be received and appropriately referred; and without objection, the bill, letter, and explanation will be printed in the RECORD.

The bill (S. 3450) to provide for adjustments in the annuities under the Foreign Service retirement and disability system, introduced by Mr. SPARKMAN, by request, was received, read twice by its title, referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Act of July 12, 1960 (74 Stat. 371), is amended by adding at the end thereof the following new subsection:*

"(e) The benefits provided in subsection (a) of this section are hereby extended to not to exceed ten (10) participants who retire and become entitled to receive an annuity from the Foreign Service Retirement and Disability Fund subsequent to June 30, 1962, and prior to June 30, 1963, whenever the Secretary of State determines it to be in the public interest to extend said benefits to any such participant."

The letter and explanation presented by Mr. SPARKMAN are as follows:

DEPARTMENT OF STATE,  
Washington, D.C., May 3, 1962.

The VICE PRESIDENT,  
U.S. Senate.

DEAR MR. VICE PRESIDENT: There is enclosed draft legislation that will authorize an extension from June 30, 1962, to June 30, 1963, of one of the provisions of Public Law 86-612 for a 10-percent increase in Foreign Service annuities.

A number of participants in the Foreign Service retirement and disability system who are eligible for voluntary retirement, subject to the Secretary's approval, have been able to take advantage of this substantial annuity increase by planning retirement prior to June 30, 1962.

There are in the Service, however, a few high ranking career officers eligible for voluntary retirement and the benefit of this annuity increase whose services are needed beyond June 30, 1962.

The Secretary is reluctant to disapprove their applications for retirement in view of the financial hardship this would impose upon them by denying them the benefits of Public Law 86-612.

This proposed legislation will enable the Secretary to extend for periods up to 12 months the benefits of Public Law 86-612 to the few officers who must be kept on duty beyond its expiration date. This extension of benefits will apply to not more than 10 officers of the Foreign Service.

Favorable action on this proposal will greatly assist the Secretary in the administration of the Foreign Service.

The Bureau of the Budget advises that, from the standpoint of the administration's program, there is no objection to the presentation of this draft legislation to the Congress.

Sincerely yours,

FREDERICK G. DUTTON,  
Assistant Secretary  
(For the Secretary of State).

(Enclosures: tab A, draft bill; tab B, explanation of bill; tab C, cost estimate.)

#### DEPARTMENT OF STATE EXPLANATION OF BILL

The proposed bill provides authority for the Secretary of State to extend the benefits provided in subsection (a) of section 1 of Public Law 86-612, approved July 12, 1960, to June 30, 1963, to not to exceed 10 officers of the Foreign Service, when he determines it to be in the public interest to do so. Public Law 86-612 provides that the annuity of any participant in the Foreign Service retirement and disability system entitled to receive an annuity on or before June 30, 1962, shall be increased by 10 percent.

Section 636 of the Foreign Service Act of 1946, as amended, provides that any participant in the Foreign Service retirement and disability system who is at least 50 years of age and has rendered 20 years of service may, on his own application with the consent of the Secretary of State, be retired from the Service and receive an immediate annuity. A number of participants in the Foreign Service retirement and disability system have taken advantage of this benefit which provides them with a substantial increase in annuity if their annuity begins before June 30, 1962. The voluntary retirement of these participants is dependent upon the approval of the Secretary. In most instances such approval is granted. There are, however, in the Service a few high ranking career officers who nearing mandatory retirement age, have elected to apply for voluntary retirement because of the benefits accruing to them under the provisions of Public Law 86-612 whose services are needed beyond June 30, 1962. The Secretary is reluctant to disapprove their applications for voluntary retirement in view of the financial hardship this would impose upon them by denying them the annuity benefits of Public Law 86-612. On the other hand, their continued service in the key positions to which they are assigned (most of them are serving as Chiefs of Mission or are assigned to other high level positions) is in the public interest. This proposed amendment would enable the Secretary to extend, in his discretion, for additional periods up to 12 months the benefits of Public Law 86-612 to not to exceed 10 officers.

#### DEPARTMENT OF STATE ESTIMATE OF COST

The estimated cost of this proposed legislation, spread over a period of years, is: \$360,000.

This cost estimate is based on the assumption that the provision of the bill will be applicable to 10 officers whose average annuity increase will be \$1,800 per year and that their life expectancy is 20 years ( $10 \times \$1,800 \times 20 \text{ years} = \$360,000$ ). This will be financed from the Foreign Service retirement and disability system and will not require an appropriation.

#### RELIEF FOR RESIDENTIAL OCCUPANTS OF CERTAIN UNPATENTED MINING CLAIMS

Mr. CHURCH. Mr. President, I introduce, for appropriate reference, a bill to provide relief for residential occupants of unpatented mining claims upon which valuable improvements have been placed, and for other purposes. I wish to state briefly the circumstances which, in my judgment, indicate a need for the passage of this bill, and explain how it would work to relieve situations where strong and persuasive equities cannot now be recognized under existing law.

In the mountain West, there is a long tradition supporting the right of a private citizen to go upon the public lands, to stake a mining claim, and thereafter to have and retain a possessory interest immune to interference from anyone. The power of the Government to challenge the validity of a mining claim has been recognized, but the Government traditionally has interfered little, and locators and their successors in interest have felt secure in their right to possession.

Nothing in the mining laws requires a locator to proceed to patent. He may never do so, yet his estate is fully maintained in its integrity so long as the law, which is a muniment of his claim, is complied with. Thus, although some miners obtain patent to their claims, many others, content to enjoy their right of possession to the exclusion of third parties, have not undertaken the expensive and protracted procedures necessary to obtain a patent.

Often in the past, the mining locator established his home upon his claim and worked his claim from his home. These homes have become, in many instances, permanent residences for the prospector's heirs. By long-established custom, mining claims embracing residential improvements have been sold for the value of the improvements, the seller giving a quitclaim deed.

Thus there can be found, throughout the West, hundreds of unpatented mining claims, valuable chiefly for the fact that they have been used, sometimes for generations, as actual homesites, on a year-round or seasonable basis, by families which have inherited them from the original locators, or paid value for the improvements, in reliance upon the customs prevailing in the area that effective title could be obtained by gift, inheritance, or quitclaim deed.

But, for one of a variety of reasons, many of the claims may not, in fact, be patentable at the present time. In some cases, the mineral veins which

justified the original location have been worked out. In others, mineral deposits which would have sustained a patent application some years ago will no longer suffice, because rising costs and artificially fixed prices for the minerals have rendered actual mining operations uneconomic. In still other cases, due to the absence of surveys, or to inaccuracies in them, such claims have been located upon land which was, in fact, withdrawn from mineral entry, or has since been withdrawn, so that patent applications will not lie.

In all such cases the claims are subject to invalidation at the initiative of the Government. The situation was further aggravated by the passage of Public Law 167 of the 84th Congress. This statute, enacted in 1955—more than 2 years before the beginning of my service in the Senate—prohibits all uses not reasonably incident to prospecting, mining, or processing operations on unpatented claims located after July 23, 1955. Moreover, it authorizes procedures under which prior locators, or their successors in interest, may be required to prove the validity of their claims or be subject to the same prohibitions. This law has resulted in an intensified campaign to drive out people who are using their claims primarily for residential purposes. As to those who have purchased claims and given value in the expectation that they would be allowed to live on the claims, it means that the rules of the game have been changed while play was in progress, and the results, in many cases, have been grossly unfair.

Although the residential uses which I have described present an anomaly to the law, it is clear that there are, in many cases, substantial equities based on custom, need, and value given, in favor of the users. It is to the problem of resolving the anomaly, while recognizing the equities, that this bill I am introducing is directed.

It would authorize the Secretary of the Interior to convey the fee or any lesser interest in tracts of 5 acres or less to any person occupying a mining claim for residential purposes on January 10, 1962, provided the claim is declared invalid or relinquished. Any conveyance under the bill would be made at fair market value—exclusive of any improvements placed on the land by the applicant or his predecessors in interest—as of the date of enactment of the bill, less any equities possessed by the claimant and his predecessors in interest. In any case, however, the purchase price would not be less than 50 percent of the fair market value of the land. Applications would have to be filed within 5 years, and the right to apply would not be assignable.

In cases where the Secretary finds that the public interest would not be served by such a conveyance, or where the land is withdrawn for a purpose which does not admit of a waiver by the responsible head of the administering agency, the Secretary would have authority to grant, under appropriate regulations, a preference right to purchase another tract of land, 5 acres or less in

size, upon payment of a fair price to the Government.

Mr. President, it is not the way of a just Government to disturb arrangements, sanctioned by time and custom, which can be regularized without injury to the public interest. This the bill seeks to do.

Senators will be interested to know that a similar measure, limited originally to apply only to his home State of California, was introduced in the House by Mr. JOHNSON, on March 15. With amendments suggested by the Interior Department and the Forest Service, the bill has been reported from the House Subcommittee on Public Lands to the full Interior Committee. Testimony favorable to its objectives was received from administration spokesmen. I am hopeful that both Houses of the Congress can move speedily to agreement on a measure which will permit humane and equitable solutions to the problems now faced by this large group of residents on the public lands.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3451) to provide relief for residential occupants of unpatented mining claims upon which valuable improvements have been placed, and for other purposes, introduced by Mr. CHURCH, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior may convey to any occupant of an unpatented mining claim which is determined by the Secretary, after due process, to be invalid an area within the claim of not more than (a) five acres or (b) the acreage actually occupied by him, whichever is less. The Secretary may make a like conveyance to any occupant of an unpatented mining claim who, after notice from a qualified officer of the United States that the claim is believed to be invalid, relinquishes to the United States all right in and to such claim which he may have under the mining laws or who within two years prior to the date of this Act, relinquished such rights to the United States or had his unpatented mining claim invalidated after due process. Any conveyance authorized by this section, however, shall be made only to a qualified applicant, as that term is defined in section 2 of this Act, who applies therefor within five years from the date of this Act and upon payment of the amount established pursuant to section 5 of this Act.

As used in this section, the term "qualified officer of the United States" means the Secretary of the Interior or an employee of the Department of the Interior so designated by him: *Provided*, That the Secretary of the Interior may delegate his authority to designate qualified officers to the head of any other department or agency of the United States with respect to lands within the administrative jurisdiction of that department or agency.

SEC. 2. For the purposes of this Act a qualified applicant is a seasonal or year-round residential occupant-owner, as of January 10, 1962, of land now or formerly in an unpatented mining claim upon which valuable improvements had been placed.

SEC. 3. Where the lands have been withdrawn in aid of a function of a Federal department or agency other than the Department of the Interior, or of a State, county, municipality, water district, or other local governmental subdivision or agency, the Secretary of the Interior may make conveyances under section 1 of this Act, only with the consent of the head of that governmental unit and under such terms and conditions as that unit may deem necessary.

SEC. 4. Where the Secretary of the Interior determines that a disposition under section 1 of this Act is not in the public interest or the consent required by section 3 of this Act is not given, the applicant after arrangements satisfactory to the Secretary of the Interior are made for the termination of his occupancy and for settlement of any liability for unauthorized use, will be granted by the Secretary, under such rules and regulations for procedure as the Secretary may prescribe, a preference right to purchase any other tract of land, five acres or less in area, from those tracts made available for sale under this Act by the Secretary of the Interior, from the unappropriated and unreserved lands and those lands subject to classification under section 7 of the Taylor Grazing Act, upon the payment of the amount determined under section 5 of this Act. Said preference right must be exercised within two years from and after the date of its grant.

SEC. 5. The Secretary of the Interior prior to any conveyance under this Act shall determine the fair market value of the lands involved (exclusive of any improvements placed thereon by the applicant or by his predecessors in interest) or interests in lands as of the date of this Act. In establishing the purchase price to be paid by the claimant to the Government for land, or interests therein, the Secretary shall take into consideration any equities of the claimant and his predecessors in interest, including conditions of prior use and occupancy. In any event the purchase price to be paid to the Government shall not exceed the fair market value of the land or interest therein to be conveyed as of the effective date of this Act nor be less than 50 per centum of such value.

SEC. 6. The execution of a conveyance authorized by section 1 of this Act shall not relieve any occupant of the land conveyed of any liability, existing on the date of said conveyance, to the United States for unauthorized use of the conveyed lands or interests in lands, except to the extent that the Secretary of the Interior deems equitable in the circumstances. Relief under this section shall be limited to those persons who have filed applications for conveyances pursuant to this Act within five years from the enactment of this Act. Except where a mining claim has been or may be located at a time when the land included therein is withdrawn from or otherwise not subject to such location, or where a mining claim was located after July 23, 1955, no trespass charges shall be sought or collected by the United States based upon occupancy of such mining claim, whether residential or otherwise, for any period preceding the final administrative determination of the invalidity of the mining claim by the Secretary of the Interior or the voluntary relinquishment of the mining claim, whichever occurs earlier. Nothing in this Act shall be construed as creating any liability for trespass to the United States.

SEC. 7. (a) In any conveyance under this Act there shall be reserved to the United States (1) all minerals and (2) the right of the United States, its lessees, permittees, and licensees to enter upon the land and to prospect for, drill for, mine, treat, store, transport, and remove leasable minerals and mineral materials and to use so much of the surface and subsurface of such lands as may be necessary for such purposes, and when-



ever reasonably necessary, for the purpose of prospecting for, drilling for, mining, treating, storing, transporting, and removing such minerals on or from other lands.

(b) The leasable minerals and mineral materials so reserved shall be subject to disposal by the United States in accordance with the provisions of the applicable laws in force at the time of such disposal.

(c) Subject to valid existing rights, upon issuance of a patent or other instrument of conveyance under this Act, the locatable minerals reserved by this section shall be withdrawn from all forms of appropriation under the mining laws.

(d) Nothing in this section shall be construed to preclude a grantee, holding any lands conveyed under this Act, from granting to any person or firm the right to prospect or explore for any class of minerals for which mining locations may be made under the United States mining laws on such terms and conditions as may be agreed upon by said grantee and the prospector, but no mining location shall be made thereon so long as the withdrawal directed by this Act is in effect.

(e) A fee owner of the surface of any lands conveyed under this Act may at any time make application to purchase, and the Secretary of the Interior shall sell to such owner, the interests of the United States in any and all locatable minerals within the boundaries of the lands owned by such owner, which lands were patented or otherwise conveyed under this Act with a reservation of such minerals to the United States. All sales of such interests shall be made expressly subject to valid existing rights. Before any such sale is consummated, the surface owner shall pay to the Secretary of the Interior the sum of the fair market value of the interests sold, and the cost of appraisal thereof, but in no event less than the sum of \$50 per sale and the cost of appraisal of the locatable mineral interests. The Secretary of the Interior shall issue thereupon such instruments of conveyance as he deems appropriate.

SEC. 8. Rights and privileges under this Act shall not be assignable, but may pass through devise or descent.

#### AMENDMENT OF PUBLIC WELFARE AMENDMENTS OF 1962

Mr. LONG of Louisiana. Mr. President, I am today submitting an amendment to the public welfare amendments of 1962, H.R. 10606, which I intend to call up at the appropriate time.

The social security amendments of 1954, which made old-age and survivors insurance coverage available to most employees under State or local retirement systems, continued the exclusion of policemen and firemen. Since 1954 the Social Security Act has been amended at various times to permit specified States to extend social security coverage to policemen and firemen who are under State or local retirement systems, until at present 17 States may provide such coverage. The amendment which I introduce would permit Louisiana to cover policemen on the same basis permitted in the 17 States now named in the law. This amendment would not apply to firemen in Louisiana; they would continue to be excluded under the Federal law.

Under the proposed amendment the State of Louisiana could modify its coverage agreement with the Secretary of the Department of Health, Education, and Welfare to extend social security coverage, under the established referen-

dum procedure, to policemen employed by the State, or to other local political subdivisions—cities, parishes, and so forth—of the State. Under this referendum procedure, coverage may be extended to the retirement system group involved only if a majority of those eligible to vote indicate in a secret referendum that they desire coverage. Upon a favorable vote, all members of the group in positions covered by the State or local system could be covered under social security, including persons who are ineligible to become participating members of the retirement system. Where policemen are in a retirement system with other classes of employees, they may, at the option of the State, hold a separate referendum and be covered as a separate group.

I ask that the amendment be received and appropriately referred.

The VICE PRESIDENT. The amendment will be received, printed, and appropriately referred.

The amendment was ordered to lie on the table and to be printed.

#### COMMERCIAL COMMUNICATIONS SATELLITE SYSTEM — AMENDMENTS

Mr. MILLER submitted amendments, intended to be proposed by him, to the bill (H.R. 11040) to provide for the establishment, ownership, operation, and regulation of a commercial communications satellite system, and for other purposes, which were ordered to lie on the table and to be printed.

#### HOSPITAL MODERNIZATION ACT OF 1962—ADDITIONAL COSPONSOR OF BILL

Under authority of the order of the Senate of June 13, 1962, the name of Mr. LONG of Hawaii was added as an additional cosponsor of the bill (S. 3407) to provide for Federal assistance on a combination grant and loan basis in order to improve patient care in public and other nonprofit hospitals and nursing homes through the modernization or replacement of those institutions which are structurally or functionally obsolete, and for other purposes, introduced by Mr. CLARK (for himself and other Senators) on June 13, 1962.

#### EXTENSION OF THE TEMPORARY EXTENDED UNEMPLOYMENT COM- PENSATION PROGRAM — ADDI- TIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of June 13, 1962, the names of Senators CASE of New Jersey, HUMPHREY, METCALF, YOUNG of Ohio, MCGEE, DOUGLAS, CLARK, GRUENING, NEUBERGER, JAVITS, and WILLIAMS of New Jersey, were added as additional cosponsors of the bill (S. 3411) to extend the temporary extended unemployment compensation program, to increase the rate of the Federal unemployment tax for taxable year 1964, and for other purposes, introduced by Mr. MCCARTHY (for himself and Mr. HART) on June 13, 1962.

#### NOTICE OF RECEIPT OF NOMINA- TIONS BY COMMITTEE ON FOR- EIGN RELATIONS

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate has received the nominations of Philip D. Sprouse, of Tennessee, to be Ambassador to the Kingdom of Cambodia; William H. Orrick, Jr., of California, to be Deputy Under Secretary of State; and the following-named Foreign Service officers for promotion from class 1 to the class of career minister:

Samuel D. Berger, of New York;  
Edmund A. Gullion, of Kentucky;  
Martin J. Hillenbrand, of Illinois;  
John D. Jernegan, of California;  
Thomas C. Mann, of Texas;  
Robert McClintock, of California;  
Frederick E. Nolting, Jr., of Virginia;  
Joseph Palmer 2d, of California;  
G. Frederick Reinhardt, of California;  
William M. Rountree, of Maryland;  
Roy Richard Rubottom, Jr., of Texas;  
John W. Tuthill, of Illinois; and  
William R. Tyler, of the District of Columbia.

In accordance with the committee rule, these pending nominations may not be considered prior to the expiration of 6 days of their receipt in the Senate.

#### THE ROSTOW PAPER ON AMERICAN STRATEGY

Mr. GOLDWATER. Mr. President, I am sorry that I was not in attendance Monday when our distinguished minority leader, Senator DIRKSEN, called attention to published reports concerning the so-called Rostow paper on American strategy. But I should like to add my voice now to his request for an examination by an appropriate committee of the Senate into the strange thesis that the Soviet Union is "mellowing," and that both the United States and Russia are losing power and authority in their respective worlds.

Mr. President, we have long heard unofficial reports about this new strategy paper being prepared by the chairman of the policy planning board of the State Department. As I understand, the document was prepared as a guide for future decisions by the President and the National Security Council. If this is the case, it undoubtedly must be regarded as an extremely important policy device, and worthy of the closest attention by the Senate of the United States. And, if it presages historic changes in American foreign policy, I believe we should be told about it at the earliest possible time.

From what we know of the Rostow paper, based on the unofficial, but seemingly authoritative, accounts appearing in the Chicago Tribune on June 17 and 18, it is based on a ridiculously false assumption that Russia is maturing in a fashion that would lend itself to honorable dealing with the United States. Apparently, Mr. President, through the medium of one paper, based largely on Mr. Rostow's hopes, rather than the hard realities of the situation, the State Department would have the President and the National Security Council adopt a

new, hazardous, and patently futile course in the cold war.

As a policy device, the Rostow paper sounds to me like the most dangerous document in America.

The line of reasoning that shows through in these first accounts of the contents of the Rostow paper is not new. We had a preview of this kind of fuzzy-minded reasoning in a publication called "The Liberal Papers." The idea seems to be that changes have taken place in the capital of world communism since Mr. Khrushchev took over, and that we can make use of these changes through a calculated policy of appeasement and soft speaking. This dangerous concept rests on the assumption that now—all of a sudden—the Communists are interested in reducing world tensions, and may be willing to follow us in a series of unilateral acts designed to this end.

Mr. President, this is the worst kind of liberal wishful thinking; and it is so alien to the thinking of Congress and of the American people that apparently even Mr. Rostow concedes that it will require a high-powered selling campaign. I understand that the new strategy paper admits with great candor that the thinking of the American people will have to be adjusted to this bold, new approach. In this, we have another example of the administration's constant preoccupation with the idea that Congress and the American people do not know what is best for them or the country. It is part and parcel of the idea that the American people must be "brainwashed" into changing their views for their own good.

Well, Mr. President, I should like to say that the American people have always known what was best for them. They may not have the same level of "sophistication" that the New Frontier insists upon, but they do know that Russia is not mellowing. They do know that the Communists cannot be trusted. And they do know that appeasement in the present world crisis is of one piece with a policy of surrender.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, in connection with my remarks, two articles from U.S.A., an American bulletin of fact and opinion, published in 1956 and 1957. The articles are entitled "The Brothers Rostow" and "The Millikan-Rostow Report," and were written by Alice Widener.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From U.S.A., Aug. 16, 1957]

#### THE BROTHERS ROSTOW

(By Alice Widener)

"If a man has one head, it's good, but if another clever man comes to visit him, it would be better still, for then there will be two heads and not only one."

"One head is good but two are better," the prosecutor put in impatiently. (Feodor Dostoevski, "The Brothers Karamazov," Book XII, III, "A Judicial Error.")

Relatively unknown to the American public, but extraordinarily influential in the fields of economics, law, and international affairs, are the brothers Rostow—Eugene V. and W. W.

Eugene V. Rostow is Dean of the Law School at Yale University.

W. W. (Walt Whitman) Rostow is a professor at the Massachusetts Institute of Technology Center for International Studies.

Each of the Rostow brothers has won high honors and holds a high post in the academic world. Each has occupied positions of heavy responsibility in the U.S. Government and in the United Nations.

Prolific writers, they are busily engaged in telling Americans what they should do and how to do it. Yet close study of the Rostow brothers' views—as expressed in their own writings—has led this writer to form the opinion that W. W. Rostow is bent on persuading Americans to squander a large part of their wealth, and Eugene V. Rostow is bent on hindering their ability to acquire it.

#### A PAIR, EVEN AND EQUAL

The 1956-57 edition of "Who's Who in America" shows that the Rostow brothers were born in Brooklyn, N.Y., Eugene V. in 1913, W. W. in 1916. Both hold degrees from Yale University; both studied at universities in England, Eugene at Cambridge, W. W. as a Rhodes scholar at Oxford.

During World War II, Eugene served as special assistant to Assistant Secretary of State Dean Acheson, and W. W. served in the OSS.

Two years ago, each of the Rostow brothers received a very large amount of tax-exempt support for the furtherance of his economic and social ideas.

In December 1955, the Ford Foundation gave \$1,600,000 to Yale Law School in order that it might finance a revision of the curriculum under the direction of Dean Eugene V. Rostow. He promptly announced to the press that the new curriculum would become "unique in the world" and its principal purpose would be "to improve Yale's methods of relating the study of law to history, philosophy and the social sciences."<sup>1</sup>

In October 1955, the Carnegie Foundation gave a 3-year grant to the Massachusetts Institute Center for International Studies in order that Professor W. W. Rostow might direct the drawing of "a new national portrait of the United States in a world setting."<sup>2</sup>

A most significant fact in the Rostow brothers' careers is that each served in Geneva, Switzerland, as Assistant Executive Secretary to Gunnar Myrdal, Executive Secretary of the United Nations Economic Commission for Europe. W. W. Rostow held the post during 1947-49, and was succeeded by his brother, Eugene, who held it during 1949-50.<sup>3</sup>

Gunnar Myrdal (Swedish economist and social scientist who severely hurt the economy of his native land by engineering its disastrous pro-Communist trade agreement with the Soviet Union after World War II) is the author of "An American Dilemma" and the recently published "An International Economy," books that are among the most radically leftist documents of the 20th century.

#### MEASURE FOR MEASURE

It is not surprising that Myrdal picked the brothers Rostow as his special executive assistants; the three men are intellectually compatible, strong supporters of concepts originally embodied in the proposed U.N. Havana Charter of 1948. Wholly rejected by the U.S. Congress, this Charter called for socialization of the world, including the United States.

Today the dauntless brothers Rostow continually seek to implement the Havana Charter's aim of creating a single world Socialist economy, and each strives unceasingly for adoption of a measure essential to success.

<sup>1</sup> New York Herald Tribune, Dec. 5, 1955.

<sup>2</sup> New York Times, Oct. 2, 1955.

<sup>3</sup> New York Times, Sept. 14, 1949.

Prof. W. W. Rostow advocates adoption of SUNFED (a multibillion-dollar Special United Nations Fund for Economic Development of the so-called "underdeveloped" nations), and if not SUNFED itself, then what Senator HUBERT HUMPHREY approvingly calls "the SUNFED philosophy."

Dean Eugene V. Rostow advocates adoption of the U.N. Restrictive Business Practices Proposal which would set up U.N. control over all American business.

Let us examine each of these Rostow-revived proposals:

In sponsoring the SUNFED philosophy (as expressed in the Millikan-Rostow Report submitted to the U.S. National Security Council in 1956, a report which has greatly influenced the U.S. International Development Loan Fund proposed now before Congress<sup>4</sup>), Prof. W. W. Rostow wants the United States to make a lump sum appropriation of \$10,000,000,000 to \$12,000,000,000 to be spent "without any sort of military or political strings attached" during a five-year period on grants-in-aid and on long term, low cost, unprofitable loans to "underdeveloped" nations. Professor Rostow doesn't expect this squandering of U.S. taxpayers' money "to win friends" for the United States or to "foster free enterprise." He appears to be wholly unworried by the prospect that his plan would mortgage a large part of our country's future wealth and would make international captives out of our hardworking taxpayers.<sup>5</sup>

To insure the "success" of the SUNFED plan under its alias "The Millikan-Rostow Report," Prof. W. W. Rostow envisages adoption of all the international economic controls that are standard operating procedure for Socialist schemes: international price stabilization, food and fiber banks, currency control, elimination of U.S. tariffs, control over production, consumption and distribution of agricultural products and manufactured goods.

Like all Socialist 5-year plans, Professor Rostow's is just a starter. On page 59 of the Millikan-Rostow Report, he and coauthor Max Millikan of MIT declare: "Although an initial 5-year allocation is recommended, the plan would look ahead for a longer period, at least a decade."

#### PROFITLESS PLAN

Also according to Socialist dogma, the profit motive is banned from such U.S.-financed, Rostow-devised dealings with foreign lands. On page 79 of the Millikan-Rostow report there is the flat assertion:

"The narrow criterion of whether a development project can repay from its own revenues is at best irrelevant and at worst may be seriously misleading."

Thus it is perfectly clear that W. W. Rostow wants the United States to put up at least \$20 to \$24 billion for a scheme in which profits are at best "irrelevant" and at worst "misleading."

This explains why this writer is of the opinion that one of the brothers Rostow—namely, W. W.—wants to squander a large part of the Nation's wealth.

#### NO COUNSEL, JUDGE, OR JURY

And now how about the congressionally rejected U.N. proposal sponsored by Dean Eugene V. Rostow, a scheme called the U.N. Restrictive Business Practices Proposal?

Quite simply, this proposal would set up iron control over all American business by establishing a U.N. Commission (administered by international bureaucrats including Communists) empowered to bring legal charges of "monopolistic practices" and "re-

<sup>4</sup> "The Proposed Development Loan Fund," June 1957, International Cooperation Administration, Washington, D.C.

<sup>5</sup> "The Millikan-Rostow Report," U.S.A., vol. III, No. 19, Sept. 28, 1956.



strictive business practices" against American corporations which would be deprived—among other dire results—of the right to be represented by counsel of their own choosing, and of the right to trial by judge and jury.<sup>6</sup>

In 1954, a former Assistant Secretary of State told this writer that the sponsors of the U.N. Restrictive Business Practices Proposal "operate on the theory that the best way to atomize the institution of capitalism is to destroy the institution of the corporation in its U.S. setting which is the last stronghold of free enterprise capitalism."

#### HIGH ON THE DEAN'S LIST

Is Dean Eugene V. Rostow of the Yale Law School trying to wreak such destruction?

To answer this question, it is necessary to read his writings and to study his record.

A major part of the answer lies in the "Report of the Attorney General's National Committee To Study the Antitrust Laws" of March 31, 1955. This U.S. Government document explains on page IV:

"On June 26, 1953, Attorney General Herbert Brownell announced his intention to establish a National Committee to Study the Antitrust Laws. At the same time, the President of the United States expressed the hope that this group would 'provide an important instrument to prepare the way for modernizing and strengthening our laws to preserve American free enterprise against monopoly and unfair competition.'"

Dean Eugene V. Rostow of Yale Law School was among the 63 lawyers, economists and professors appointed in 1953 to serve on this committee. Two years later, when its official report was issued, the fact became apparent that there had been severe dissension among the committee members, and that the principal dissenter from the majority view was Dean Rostow.

Pages 98, 99, and 100 of the report show that Eugene V. Rostow strongly condemned the Committee's refusal to support the U.N. Restrictive Business Practices Proposal. Dean Rostow's own words (p. 100) show that this U.N. proposal is indeed based on the congressionally abhorred Havana Charter, even though in 1954 the State Department officially denied the proposal's relationship to that charter in a statement made to the U.N. correspondent of the New York Daily News.

Dean Rostow wrote in the 1955 report:

The International Trade Organization Charter of Havana, of 1948, contained an important chapter of restrictive business practices.

With the failure of the Havana Charter the Government [actually a small, determined group of officials of the State Department] made earnest attempts through several international bodies to revive the idea. Finally, by resolution of the Economic and Social Council of the United Nations, an international committee was appointed to study the problem and to make recommendations for action. That committee . . . has proposed draft articles of agreement through which machinery of international cooperation could be established for dealing directly with restrictive business practices. These draft articles are largely based on the corresponding substantive provisions of the Havana Charter.

Even though the Eisenhower administration has withdrawn former State Department support of the U.N. restrictive business practices proposal, and even though David C. Murchison, legal adviser to the Chairman of the Federal Trade Commission, in 1955 testified before the Senate Subcommittee on Antitrust and Monopoly that the U.N. proposal has "no basic procedural safeguards which we are used to in this country." Dean Rostow branded the national committee's failure to

endorse the U.N. scheme as "the most serious defect in our report."

#### THE DEAN'S ADVICE

This 1955 report of Attorney General Brownell's national committee shows even greater evidence of Eugene V. Rostow's desire to change the structural organization of the corporation in its U.S. setting, and to reorganize this structure according to the Socialist concept of competition and of free enterprise.

Like Socialists' concepts of democracy, Rostow's concept of these terms appears to be wholly different from traditional American definitions. All Socialists believe that true competition and real free enterprise can take place only under socialism, i.e., under a system of governmental controls preventing any kind of private management of business, frowning on any kind of bigness except that of Big Government, and regarding businessmen as a class of would-be monopolists addicted by nature to restrictive practices.

On page 385, 386, and 387 of the national committee's report on their study of our antitrust laws, there is the following text of Dean Rostow's minority views as expressed in his own words:

"Except by implication, our report does not answer the key question the Attorney General put to us: the adequacy of the antitrust laws in relation to the competitive process the law is intended to maintain.

"Thus we have not commented even on the conspicuous failure of the Department of Justice and the Federal Trade Commission to undertake seriously the enforcement of section 7 of the Clayton Act [a section dealing with corporate acquisitions of stock and assets]. In the midst of a merger movement raising obvious antitrust questions in almost every day's newspaper, it is, in my view, a defect of the report that we have not urged prompt action in an appropriate case to obtain an authoritative classification of section 7.

"I shall go further, and recommend that the Department of Justice and the Federal Trade Commission establish regular procedures for drawing on the resources of economic analysis and knowledge in selecting cases of the greatest possible public importance for prosecution. . . . the potential contribution of the antitrust laws to our economic and social development cannot be realized without well planned enforcement programs.

"I deplore the absence in the report of the following recommendation:

"We also believe that the antitrust laws should be enforced not only to prevent recourse to restrictive practices . . . but, where appropriate, to accomplish structural changes in these industries."

In a final dissent from the national committee's findings that American business has suffered from too much antitrust enforcement, Dean Rostow declared there has been "too little."

It is obvious through study of the foregoing that what Dean Eugene Rostow of Yale Law School advocates in his minority opinion is for the Justice Department to select for antitrust prosecution those cases which can attract the widest publicity. It is also obvious that he hopes to accomplish through such arbitrary prosecution a structural change in American industry, a change arising from presumption of guilt in mergers which he believes will be restrictive of competition in the future.

This explains why this writer is of the opinion that one of the brothers Rostow—namely, Eugene V.—wants to limit Americans' ability to acquire wealth.

#### THE FREE RIGHT OF ACQUISITION

Now what really is our modern situation concerning antitrust laws, and what is or should be legal and illegal in modern times of great industrial development?

A few weeks ago, Donald Rogers, business and financial editor of the New York Herald Tribune, pointed out that "there is no legal roadmap" to guide the Justice Department and Federal Trade Commission in administering antitrust laws, and he said "the antitrust jungle is still uncharted."

Mr. Rogers declared that section 7 of the Clayton Act as amended under the Truman administration in 1950 to include what is known as the Antimerger Act is "dangerous stuff" which limits the national ability to acquire wealth by limiting corporations' right to acquire assets of other corporations.<sup>7</sup> Yet the Antimerger Act is heavily endorsed by Dean Rostow.

Mr. Rogers accused the Antitrust Division of the Justice Department of recently adopting an antibusiness strategy which is using section 7 of the Clayton Act in a "rash of new cases" to persecute American businessmen. Yet this is the strategy urged by Dean Rostow in his minority opinion.

Stripped of legal double talk, section 7 of the Clayton Act—as originally drawn in 1914 and especially as amended in 1950—robs Americans of their free right of acquisition.

The 1950 Antimerger Act, so much admired by Dean Rostow, prevents corporations from acquiring assets of other corporations whenever such acquisition "may be" harmful in the future, even though no past or present action by the acquiring corporation shows evil intent or result.

Under leftist interpretation of the words "may be," American businessmen and stockholders can be stripped of their basic rights under the Constitution of the United States: their free right to acquire and hold private property, and their right to be regarded as innocent until proved guilty.

Yet apparently this leftist interpretation is strongly favored by the influential Dean Eugene V. Rostow of Yale Law School.

#### MINORITY PREVAILS

Dean Rostow is so very influential, it seems, that his minority view of how antitrust laws should be enforced has evidently become the present policy of the Justice Department Antitrust Division and has heavily swayed a majority of Supreme Court Justices.

In the historical American matter of minority-majority disputes, there is a very interesting case which occurred nearly 30 years ago. Then the Communist Party of the U.S.A. held an election in which leader Jay Lovestone defeated candidate William Foster by a huge majority, but Stalin summoned both men to Moscow, made Foster the victor, and declared: "In this case the minority is the majority."<sup>8</sup>

That was that.

As has been shown, Dean Rostow in 1953-54 reproached the majority of the Attorney General's own committee for not insisting that section 7 of the Clayton Act be used in prosecutions of business corporations.

Strange to relate, the Supreme Court, in its decision of June 3, 1957, found E. I. du Pont de Nemours guilty of having violated the antitrust laws, not on traditional Sherman Act grounds but on those of section 7 of the Clayton Act covering Du Pont's acquisition of 23 percent of General Motors stock during 1917-19.

Reliable sources say that until the Supreme Court decision was handed down in the Du Pont case, the defendants—who pleaded their case mainly according to traditional Sherman Act issues—had no idea that "the setup of the Clayton Act would have any importance at all."

<sup>7</sup> "The Antibusiness Strategy," U.S.A., vol. IV, No. 14, July 19, 1957.

<sup>8</sup> "Stalin's Speeches to the American Communist Party," published by Central Committee, Communist Party, U.S.A., New York, 1929.

<sup>6</sup> "U.N. Czar to Rule U.S. Business?" U.S.A., vol. I, No. 20, Dec. 17, 1954.

This is confirmed by Supreme Court Justice Burton's minority opinion which declared: "This Court, ignoring the Sherman Act issues which have been the focal point of 8 years of litigation, now holds that Du Pont's acquisition [made nearly 40 years ago] \* \* \* violates section 7 of the Clayton Act."

Events of the past 3 years have made it crystal clear that Dean Rostow's antitrust strategy is now being followed by the Antitrust Division of the Justice Department, both as to "selecting cases of the greatest possible public importance [publicity]" and in newly and rigidly enforcing the vaguely written Clayton Act.

#### THE DEFENDANTS

Almost inexplicably, and most unfortunately for the good reputation of private enterprise in the free world, two of the most important recent antitrust prosecutions involve defendants under constant attack by the Soviet Union as "monopolists."

In July 1954, the Justice Department chose a crucial moment immediately following the heroic overthrow of the pro-Communist Arbenz government by the people of Guatemala to announce its antitrust suit against United Fruit Co., a major American investor in that country and a great contributor to its welfare. The name "United Fruit Co." is viciously used by the Communists as an anti-American, anticapitalist slogan. In fact, Soviet Delegate Arkady Sobolev has time and again attacked United Fruit Co. by name in the United Nations General Assembly, spewing forth a stream of Red lies about the company.

And now another prime Soviet target of today, E. I. du Pont de Nemours (whose executives were smeared as "merchants of death" by Communists and leftwingers prior to Pearl Harbor, but who are now gratefully praised by our country for their great share in winning World War II) is gravely hurt by unjustified use of the Clayton Act as a sneak, anticapitalist weapon.

In the July 19, 1957, issue of U.S.A., Herbert A. Philbrick, an outstanding analyst of Communist activities, pointed out that, in February of this year, the National Committee of the Communist Party, U.S.A., called for creation of a powerful "antimonopoly coalition" against "the giant corporations" as the main strategy of the Communists' "path ahead."

#### THE EMOTIONAL DEAN

It is exceedingly strange that the present Republican administration's path ahead should be so heavily influenced by Dean Eugene V. Rostow's views, for it is almost impossible to find a person who has publicly attacked the good name of Gen. Dwight D. Eisenhower so disgracefully as Dean Rostow.

On October 20, 1952, when Dean Rostow was almost 40 years old and should have reached a degree of intellectual and emotional restraint, he wrote a letter to the editor of the New York Herald Tribune in which he accused presidential candidate General Eisenhower of entering into an election campaign "popular front with totalitarians," and tried to smear General Eisenhower by comparing his methods with those of Hindenburg, Von Papen, and Pétain.

In a wholly wrong and highly emotional assumption, Rostow claimed that if General Eisenhower had urged the people of Wisconsin "to vote for Mr. Schmitt" for U.S. Senator in the primaries, and if "the followers of Colonel McCormick had been driven into the wilderness," then the Republican Party "would really have become capable of winning elections and governing the Republic."

The quality of Rostow's economic views may be judged by the fact that after his book "A National Policy for the Oil Industry"

was published in 1948 the leading executives of that industry protested against his exaggerations and extremely prejudiced writing. In an article for the Yale Law Journal, J. Howard Marshall, then president of the Ashland Oil & Refining Co., described Rostow's book as "100 pages of fallacious assumptions and emotional arguments."<sup>10</sup>

#### TWO HEADS, ONE THOUGHT

In view of the evidence that apparently one of the Rostows wants to squander American wealth and the other wants to limit our Nation's ability to acquire it, this writer would like to know the final answer to the question: "What are the brothers Rostow—Eugene V. and W. W.—aiming at?"

The evidence to be found in their own writings and record of activities seems to show unmistakably that they are leaders among those who "operate on the theory that the best way to atomize the institution of capitalism is to destroy the institution of the corporation in its U.S. setting."

If Eugene V. Rostow's views should prevail in our country, then American business won't be big or profitable, and will be rigidly controlled by the United Nations with the Soviet Union, her satellites, and possibly Red China among the controllers.

If W. W. Rostow's views should prevail in our country, then the U.S. Government will subsidize the economic "development" of more than a billion undeveloped peoples with the result that many American stockholders of corporations making private investments abroad will be financially wiped out and American taxpayers might be pauperized.

Two heads are indeed better than one, as the prosecutor said in Dostoevsky's "The Brothers Karamazov."

The American businessman, absorbed with his own company problems, had better learn about what goes on in the two heads of the brothers Rostow.

[From U.S.A., Sept. 28, 1956]

#### THE MILLIKAN-ROSTOW REPORT

(By Alice Widener)

On May 10, 1956, two economists of the Massachusetts Institute of Technology and of its affiliated center for international studies—Profs. Max Millikan and W. W. Rostow—urged the U.S. Government to adopt their proposal for a new foreign economic policy of aid to underdeveloped nations.

In a front page story, the New York Times reported, May 29, that "Officials at the highest levels of the Government are giving serious study" to the "privately prepared" Millikan-Rostow report, and that "it is known to have reached the National Security Council."

This writer earnestly hopes that not only U.S. Government officials but also publishers, business executives, and the American public will give most serious study to the Millikan-Rostow report. For, in my opinion, it is a slick, tricky document urging adoption of a proposal that can result in national disaster due to currency inflation, to destruction of the American middle class, and to imposition of a state-controlled economy integrated into a single international economy.

Basically, in my opinion, the Millikan-Rostow report is intellectually dishonest, for it claims to be "new" and it is not new.

Despite its title—"Proposal for a New Foreign Economic Policy"—and despite the New York Times' statement that the report "advocates a completely new approach of how to use U.S. foreign aid to prevent the world's underdeveloped countries from succumbing to communism," Professors Millikan and Rostow propose nothing more nor less than the creation of SUNFED, the Special United Nations Fund for Economic Development.

Anyone familiar with the economic ideas of top Socialist and Communist officials in

the U.N. Secretariat can easily recognize that what the Millikan-Rostow report really advocates is SUNFED. And though Professors Millikan and Rostow do not use its name (evidently believing that a rose by any other name would smell as sweet), they have embodied in their report all the thinking and figuring which underlie the arguments for SUNFED, arguments long ago proffered by such notorious Marxists as:

Gunnar Myrdal, head of the U.N. Economic Commission for Europe.

David Owen, Executive Chairman of the U.N. Technical Assistance Board.

Dr. Hans W. Singer, Special Adviser to the U.N. Bureau of Economic Affairs, and Representative of the U.N. Secretary-General on SUNFED.

#### FOUR POINT PROGRAM

What does the Millikan-Rostow report actually propose? The answer is:

1. A lump sum U.S. Government appropriation of \$10 billion to \$12 billion to be spent "without any sort of military or political strings" during 5 years on grants-in-aid and long term, low cost government loans to "underdeveloped" nations.

2. Creation of "an international body" to evaluate and coordinate the spending of this sum "with quasi-legislative" powers.

3. A permanent administrative Secretariat.

4. A "Council" of "perhaps 10 members" who are to act "not as representatives of their countries" but as "individuals" to establish "a code of criteria and practices" and "to pass judgment" on how programs meet "the agreed criteria."

It is enlightening to compare the foregoing so-called new proposal with the recommendations made in an official U.N. document published in 1954 entitled "International Aid in Search for Development Funds." This U.N. document reports on the work of a committee of nine (whose secretary was Dr. Hans W. Singer) and advocates creation of SUNFED with a General Council to decide policy directives and review progress, an Executive Board of 8 to 12 directors, and a Director General and his staff (who are to be governed by United Nations staff regulations).<sup>12</sup>

In many U.N. studies and reports (by anonymous groups of "experts") the sum of \$3,500 million per year for a period of 10 years has been advocated "for economic development of the underdeveloped nations." These experts admit that the expenditure of \$10 billion per year for such a purpose could be expected to increase the per capita income of underdeveloped peoples only "2 percent a year." On page 123 of Gunnar Myrdal's book "An International Economy" there is the statement that "United Nations experts \* \* \* urged most strongly that some mechanism be created for transferring to the underdeveloped countries \* \* \* \$3 billion a year."

What is the annual budget for the so-called new proposal in the Millikan-Rostow report? Following are the exact figures as set forth on page 72:

Grants:	In millions
U.S. contribution.....	\$360
Other country contribution.....	240
Direct private investment.....	500
Additional international bank loans.....	400
Public loans:	
U.S. contribution.....	1,700
Other country contribution.....	300
Total.....	3,500

<sup>12</sup> U.N. staff regulations bar all members of the Secretariat from acting as representatives of their respective countries; they are international civil servants, enjoying diplomatic privileges and immunities regardless of "political belief" and owing loyalty to the United Nations.

<sup>13</sup> For a review of this book, see U.S.A. vol. III, No. 12, June 15, 1956.

<sup>9</sup> New York Herald Tribune, Oct. 22, 1952.

<sup>10</sup> Journal of Commerce, June 1, 1952.



## IT'S ONLY MONEY

As anyone can see, the Millikan-Rostow budget proposes that American taxpayers put up \$2,060 million a year, while the taxpayers in all other countries put up only \$540 million. Thus the Millikan-Rostow concept of fair international sharing of the burden is for us to bear about 74 percent of it.

Like the U.N. experts cited by Gunnar Myrdal, the authors of the Millikan-Rostow report admit on page 59 that the spending of this vast sum of money cannot possibly result in more than "a 1-percent annual increase in real income per capita for all the underdeveloped countries of the free world."

American taxpayers should know also on page 59 of this report, the professors declare:

a. "The United States should launch at the earliest possible moment a long-term program for sustained economic growth in the free world. This program would make available to the underdeveloped areas sufficient additional capital and technical assistance to satisfy all likely demands for such assistance which meet fairly high standards of eligibility.

b. "As part of this program the U.S. Government should offer to provide a new long-term capital fund of from \$10 to \$12 billion to be available for loans and grants over a 5-year period. \* \* \* Although an initial 5-year allocation is recommended, the plan would look ahead for a longer period, at least a decade."

Actually, then, Professors Millikan and Rostow are happily looking forward to an American expenditure of at least \$20 to \$24 billion within 10 years. Furthermore, their annual budget does not show what share of the \$900 million scheduled for private investment and for international bank loans will be drawn from U.S. capital resources. To judge by their notion of a fair share, we'll have to put up \$666 million. Thus the U.S. annual grand total would be increased to \$2,726 million.

In their arguments for this scheme, Professors Millikan and Rostow are not very original. Almost word for word, whole paragraphs of their new proposal can be found in the writings of Gunnar Myrdal and Hans W. Singer. As a matter of fact, Messrs. Myrdal, Singer, Millikan and Rostow seem to be engaged in a roundrobin discussion, each quoting and praising the others. A serious researcher runs into a chicken-or-egg problem in trying to determine who among these gentlemen first said what.

Among them, Gunnar Myrdal seems to be the most conscientious in giving credit where it is due. In "An International Economy", he cites Dr. Singer's and W. W. Rostow's writings as source material, and paraphrases them with credit lines.

But the Millikan-Rostow report contains no footnotes and no credit lines. Nevertheless, a painstaking student can track down the origins of their self-styled "new" proposal.

For example, in 1950, Dr. Hans W. Singer declared in a lecture on "Development Projects as Part of National Development Programs":<sup>4</sup>

Whether you can manage to cover the capital cost from the prices of the things that you produce in your project has no direct relation to the quality of the project.

On page 79 of their report, Professors Millikan and Rostow declare:

"The narrow criterion of whether a project can repay from its own revenues is at best irrelevant and at worst may be seriously misleading."

The Millikan-Rostow report calls for all the international economic controls that are standard operating procedure for Socialist schemes: international price stabilization, an international food and fiber bank, international currency control, increased interna-

tional trade through elimination of U.S. tariffs, and so on.

It was alarming to read in the New York Herald Tribune, August 8, 1956, that the Senate Foreign Relations Committee had appointed Profs. Max Millikan and W. W. Rostow as members of a special subcommittee to study: "Is a continuing foreign aid program in the national interest and, if so, what form should it take?" Americans know in advance that Millikan's and Rostow's answer is "Yes, and again yes. And more and more of it."

Fortunately, American taxpayers will find it heartening that the distinguished chairman of the Scripps-Howard newspapers' executive committee, Mr. Roy W. Howard, is to be a member of the Senate's special subcommittee. He is fearless, independent, and the kind of man to hand in a strong minority report if he believes it to be justified.

This writer hopes that Mr. Howard will scrutinize the Millikan-Rostow report in relation to the writings of U.N. Socialists Gunnar Myrdal and Hans W. Singer, and also in relation to Lenin's and Stalin's pronouncements on the need for equalizing the economies of the backward and advanced countries.

I hope too that Mr. Howard will read the cogent arguments against SUNFED put forth by the Honorable Spruille Braden in a Saturday Evening Post editorial of August 11, 1956, by Herbert A. Philbrick in his syndicated column of July 29, by Mr. H. W. Balgooyen in a speech at the world trade dinner held last May, by the National Foreign Trade Council in its official resolutions for the past three years, and by the National Association of Manufacturers in its August 1956 resolution against SUNFED.

The New York Times reported May 29 that Professors Millikan and Rostow do not expect adoption of their multibillion-dollar aid program to "win friends" for the United States or to "foster free enterprise." All the MIT professors expect is that this "aid" will give hundreds of millions of "underdeveloped" people a "new sense of direction."

The Millikan-Rostow report does not say what new sense of direction will be given to Americans on their adoption of such a proposal. Yet it is obvious that unless there were a taxpayers' rebellion, the United States would march on toward economic chaos or totalitarian dictatorship.

## THE 99TH ANNIVERSARY OF STATEHOOD OF WEST VIRGINIA—LEAVE OF ABSENCE

Mr. HUMPHREY. Mr. President, today marks the 99th anniversary of the statehood of West Virginia. In recognition of this auspicious event, ceremonies are being held in the State capitol at Charleston, W. Va. This evening former President Harry S. Truman will be the honored guest and speaker. He will be introduced by the senior Senator from West Virginia [Mr. RANDOLPH].

Because of the importance of this occasion, I ask unanimous consent that Mr. RANDOLPH may be excused from attendance of the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSIONS

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Government Operations be permitted to sit during the session of the Senate today.

Mr. LONG of Louisiana. Mr. President, I object. May I say, with regard to that objection, that some of us have been discussing the bill presently pending to a Chamber of empty seats for the last day or so. I am willing to agree that the Senate Committee on Finance, which is the committee where there is a legislative logjam, may meet during this day. Even though I am a member of the committee and would like to be present, I am going to agree to its meeting; but with regard to other committees where there is no urgency, I shall be disposed to object to their meeting while the Senate is in session. I will not object to the Finance Committee's meeting, because I realize that is where the logjam exists at the present time.

The VICE PRESIDENT. Does the Senator from Louisiana register an objection?

Mr. LONG of Louisiana. Yes.

The VICE PRESIDENT. Objection is heard.

## EXECUTIVE SESSION

Mr. HUMPHREY. Mr. President, I ask that the Senate proceed as in executive session to consider the Executive Calendar.

The VICE PRESIDENT. Is there objection?

Mr. LONG of Louisiana. Mr. President, I must object unless it be understood that we will go back into the morning hour.

Mr. HUMPHREY. The Senator has that assurance. I assure the Senator that there will be no parliamentary trickery.

The VICE PRESIDENT. The Chair wishes to inform the Senator that he can make that motion, without requiring unanimous consent.

Mr. LONG of Louisiana. Mr. President, is that motion debatable?

The VICE PRESIDENT. No.

Mr. LONG of Louisiana. Mr. President, I do not care to object if we go back into the morning hour.

Mr. HUMPHREY. The Senator has that assurance.

Mr. President, I so move.

The VICE PRESIDENT. The question is on the motion of the Senator from Minnesota.

The motion was agreed to; and the Senate proceeded to consider executive business.

## EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

## EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. MAGNUSON, from the Committee on Commerce:

Harold C. Woodward, of Illinois, to be a member of the Federal Power Commission.

<sup>4</sup>U.N. Publication: 1951, 11.8.4. Vol. I.

The VICE PRESIDENT. If there be no further reports of committees, the nomination on the Executive Calendar will be stated.

#### DEPARTMENT OF COMMERCE

The Chief Clerk read the nomination of Herbert W. Klotz, of Virginia, to be an Assistant Secretary of Commerce.

The VICE PRESIDENT. Without objection, the nomination is confirmed; and, without objection, the President will be notified forthwith of the confirmation.

Mr. HUMPHREY subsequently said: Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of considering the nomination of Mr. Harold C. Woodward to be a member of the Federal Power Commission, as reported by the Committee on Commerce today.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota?

There being no objection, the Senate proceeded to the consideration of executive business.

#### FEDERAL POWER COMMISSION

The PRESIDING OFFICER. The clerk will state the nomination reported today.

The legislative clerk read the nomination of Harold C. Woodward, of Illinois, to be a member of the Federal Power Commission.

Mr. DIRKSEN. Mr. President, this nomination first came before the Committee on Commerce of the Senate about 8 weeks ago. It was unanimously approved. It was considered by the Senate. At that time the distinguished Senator from Wisconsin went into the question thoroughly and registered his objection. I think my colleague from Illinois [Mr. DOUGLAS] indicated at the time that, while he was not discussing the nomination, he did oppose it. The nomination then had unanimous approval by the Committee on Commerce.

My understanding is that the nomination was approved this morning, with two abstentions. I trust, therefore, that the Senate will confirm the nomination at this time.

Mr. PROXMIRE. Mr. President, at the time the nominee was considered for interim appointment, I opposed the nomination, as the Senator from Illinois has correctly stated. I am still opposed to this nomination, for the reasons which I listed in some detail. I wish to be sure I am recorded as being opposed to the nomination.

The PRESIDING OFFICER. The question is, will the Senate advise and consent to this nomination?

The nomination was confirmed.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

#### LEGISLATIVE SESSION

Mr. HUMPHREY. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

#### ASSISTANCE UNDER KERR-MILLS ACT IN ILLINOIS

Mr. DIRKSEN. Mr. President, nothing speaks so eloquently and forcefully as a fact. I present for inclusion in the RECORD from the Friday, June 15, 1962, edition of the Illinois State Journal, published at Springfield, Ill., an article by Kenneth Watson showing the record of assistance under the Kerr-Mills Act in the State of Illinois on the basis of the publication of the Illinois Aid Commission for the month of May.

The figures contained in the report would extend through the month of March 1962 and indicate the number of recipients of budgets under the Kerr-Mills Act, the aggregate payment, the average payment per person, and other interesting items.

I ask unanimous consent that the article to which I have referred be printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### TOTAL OF 1,144 QUALIFY IN STATE FOR AGED CARE HELP

(By Kenneth Watson)

A total of 1,144 aged persons in Illinois have qualified for medical assistance since the Federal Kerr-Mills Act became effective in this State last August, according to the May publication of the Illinois Public Aid Commission.

Through March, payments totaling \$351,935 had been made to 604 recipients, all of whom must be aged 65 or over and in financial need.

The average payment per person was \$582.67. This figure includes \$67.35 for doctor services.

"These high average payments appear to indicate that the program is meeting its essential purpose, that of providing for catastrophic illness," the IPAC stated.

Since August the IPAC has received 2,983 applications for assistance but 1,062 have either been denied or withdrawn. A total of 477 are pending.

The largest number of applications denied were from persons who have incomes too high for them to qualify under the Kerr-Mills Act.

The limit is \$1,800 for someone living alone and \$2,400 for someone with a spouse or other dependent.

Rejections because of too high incomes totaled 172. Other reasons for rejection included application for services not provided, 154; responsible relative able to meet cost, 151; failed appointment or could not be located, 94; death of applicant, 70.

Illinois is 1 of only 19 States participating in the Kerr-Mills program, but operates with only the required 2 minimum services. These are hospital care and 30 days of physician's care after leaving the hospital.

New York and Massachusetts, for instance, provide comprehensive medical care. In January, New York had 29,915 applicants under the program and Massachusetts 18,637, while the Illinois total was only 202.

However, in New York the average payment per recipient was only \$297.80 and in Massa-

chusetts \$176.16, compared to \$524.55 in Illinois.

The IPAC said the lower per person cost for the two Eastern States is because both of them have transferred large numbers of their old-age assistance cases to the Kerr-Mills program.

Fourteen of the participating States include nursing home care; 20, physicians' services; 12, drugs; and 10, dental care.

The Kerr-Mills Act was passed by Congress in 1960. It provides that the Federal Government will match State expenditures and pay more than half in States with low per capita incomes.

The King-Anderson bill now being pushed in Congress by President Kennedy would replace the Kerr-Mills program with one tied in with the social security program and financed by additional deductions from wage earners.

#### ADDRESS BY HON. OREN HARRIS, CHAIRMAN OF COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE OF THE HOUSE OF REPRESENTATIVES

Mr. DIRKSEN. Mr. President, the National Community Television Association is holding its 11th annual convention at the Shoreham Hotel. Representative OREN HARRIS, the chairman of the House Interstate and Foreign Commerce Committee, addressed this group at a luncheon yesterday at which members of the Commission, representatives of the National Association of Broadcasters, and officials of the broadcast industry and of the electronics industry were present in great numbers. Chairman HARRIS made a timely address on the matter of broadcaster-CATV relations. I ask unanimous consent that his speech be printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

#### TELEVISION TO THE HINTERLAND

(Address by the Honorable OREN HARRIS, chairman, Interstate and Foreign Commerce Committee of the House of Representatives of the United States, at the Shoreham Hotel, Washington, D.C., on June 19, 1962, to the National Community Television Association, VIP luncheon, 11th annual convention)

Mr. President, chairman of the board, distinguished guests. Needless to say, it gives me great pleasure to welcome such an enterprising group to our National Capital. It is my understanding that almost every State in the Union is represented here, as well as some of your Canadian members. Although as an industry, you are but 12 years old, no one will deny that you have reached an imposing stature and, like another who reached his 12th year, you have grown in wisdom and in grace.

#### GROWING RECOGNITION OF THE BENEFITS OF CATV

Twelve years ago, there were only a few community antenna systems in this country. Today, there are about 1,000 of them in 46 States and the Virgin Islands. You serve about 1½ million homes or over 3½ million people. You are spreading into new areas from year to year. While most systems are small business enterprises in the true sense of the word, serving 1,000 subscribers or less, you are drawing the interest of large enterprises such as the theatrical and broadcasting interests who are getting into the CATV business. The securities of some of your companies are listed on the stock ex-



change and bankers, investment houses and brokers no longer look at you as an unknown quantity. CATV is a thriving business today and you present here were the pioneers who made it so.

Your contributions to educational television and other types of public service are well known. There are many grade schools and institutions of higher learning in many sections of the country which could not receive educational channels without your facilities. In many cases your channels are furnished gratuitously to the school systems of this Nation. I congratulate you.

Just about 1 month ago on May 17, 1962, a bill, H.R. 10708, had been reported to the House by the Committee on Agriculture to amend a section of the Rural Electrification Act. Several Members of Congress were apprehensive that this bill might interfere with the development of community antenna cable systems. I was not surprised when the vice chairman of the committee, Mr. POAGE, came up with an amendment which the NCTA had drafted. In answer to an inquiry whether this bill would injure CATV operators, Mr. POAGE stated:

"We were requested by the association and not by the REA to use this language. It is the language of the people whom the gentleman fears are going to be injured—it is the language of the very people—and it is word for word and has not been changed, not even by a comma."

Then Congressman POAGE paid your association a high tribute. He stated:

"I believe these gentlemen are not only fair to their opponents, but I believe they are fair to themselves. I believe they have come in and asked for a reasonable limitation. As long as it seems to be a reasonable limitation, I for one—and I believe the House Committee on Agriculture—is disposed to try to grant any reasonable limitation."

I believe that as an industry you have been "fair to yourselves," "fair to your opponents," and you have been "reasonable" in your demands. This, more than anything else, has won you an accolade from the Congress, the public and the courts.

You will forgive me if I define a community antenna television system, otherwise called a master antenna cable system, for the benefit of guests or reporters who are sometimes confused by the great variety of technical terms in the television industry.

#### DEFINITION OF CATV

According to the general understanding in the Congress, a community antenna is, as the term seems to imply, a master television receiving antenna erected and designed to serve a community, or such part thereof as is practical to serve, or as may have a requirement for service. It is technically and functionally analogous to the master antenna systems installed in apartment houses to permit service to part or all of the apartments, rooms or suites by means of a single antenna system.

Generally, community antennas are found in areas where because of the interaction of topographic or geographic conditions, and technological and economic factors, reception of television signals by conventional antennas is either (1) nonexistent, (2) of unsatisfactory quality, or (3) possible only with the aid of costly tall rooftop antennas placed on high elevations or other suitable locations.

Community antennas are capable of receiving the signals of more than one station simultaneously, they are designed and oriented, when installed, to receive the desired signals and to reject, as much as possible, the undesired channels. That is essentially the same function as is performed when a homeowner who erects a rooftop antenna purchases an antenna which has been designed and manufactured to give optimum reception on the channels he desires to receive and to reject signals of stations which

might duplicate or interfere with those he prefers. Community antenna people do not alter, delete, or in any manner change the broadcast intelligence on the channels which they receive.

As the Federal Communications Commission and the courts have repeatedly decided, they do not broadcast, and they are not common carriers, such as telephone companies or telegraph companies. They are in the signal-receiving business. But enough of these technicalities. Let us look at the origins of this CATV industry, as it is popularly called. That is where the real romance of your industry is to be found. It matches the wonderful tales of the first Curtis-Wright flight and earlier planes bound together with bailing wire and glue.

#### EARLY BEGINNINGS

The history of the community antenna industry reveals the development of an entirely new industry in the best American tradition. In the very early days of television only very limited service was available in metropolitan areas and virtually no service in rural areas and small cities and towns more than 50 miles from the few major metropolitan areas. The Federal Communications Commission had imposed a so-called "freeze" on the licensing of television stations because of technical problems. This freeze lasted for several years and would have restricted the benefits of this dramatic new medium of mass communications to a few privileged urban areas were it not for the ingenuity of the small American businessman and the insistent demand by the public for the pleasure and educational benefits of television throughout the hinterland.

There were no precedents for this industry. However, since a single antenna could serve a hotel or an apartment house, then why could it not be made to serve an entire community?

The idea did not generate with the large and powerful electronics corporations such as the RCA's, the General Electric, and the Philcos. It developed with local radio and television dealers in small towns who sought some way of providing television signals to the public clamoring to purchase receivers. The first systems were indeed amateurish. They consisted of an antenna mounted on a pipe on the top of a hill; twin lead wire, such as connects any antenna to the television receiving set, extended from the antenna down the hillside and throughout the area serviced. It was supported by trees, fenceposts, corners of buildings, and passed over alleys, backyards, etc. Inexpensive amplifiers, such as used in office intercommunications systems and available at most radio supply houses, were spaced at required intervals along the line. At times they worked surprisingly well and, at other times, because of inexperienced operators and the fact that the equipment was not designed to meet the demands of an extensive antenna system, they were very poor.

The industry was born almost simultaneously on both coasts in 1949 and 1950. Recognizing the public need and demand in rural and fringe reception areas for television reception and for equipment designed to meet the rigors of outdoor operation, suppliers of electronic equipment began to experiment with a designed CATV amplifier and specialized equipment. The American public brought their demands to these people and insisted that they be met in the small cities and towns across the country. Many men and women with little or no training and with the limited advice available began to build and rebuild, making known their wants and frustrations to the equipment suppliers. The demands of this new industry resulted in the formation of new companies whose primary objective was to solve the problems of multichannel master antenna reception for these small

cities and towns. Established manufacturers were too busy with other problems to devote the time and resources necessary to start from scratch. As a result, the dominating equipment suppliers in the CATV field today, 12 years from when the industry was first established, are still the companies which were organized to meet this demand. The industry has never been able to stand still. Development has been constant until today more than \$450 million has been invested in community antenna reception and the industry has caught the imagination of, and challenged, some of the country's largest entertainment and financial organizations.

Essentially, however, the industry was born in small town America. It can take credit for its development and it still retains much of this original flavor. It is a real example of grassroots demand and development.

#### PROBLEMS OF CATV

As the CATV industry advanced in age, it encountered many problems. Cable operators found it difficult, at first, to obtain permission of telephone companies to string its cable along its poles. Power and other utilities cooperated, but telephone companies hesitated. Finally, they allowed CATV operators to use their poles, but many companies inserted all types of restrictive clauses in their contracts which tended to restrict the growth of the CATV industry. The contracts were terminable upon 30 days notice or 1 year, at most. I am informed that in the past year, most telephone companies have removed these restrictions and now grant contracts of 3 to 5 years duration. Some have even made the term 15 years.

CATV operators incurred the wrath of a handful of local television broadcasters in a few single broadcast station communities. In fact, this led to demands from some of these small broadcasters for legislation to curb CATV systems or to place them within the control of the FCC. The Federal Government controls the whole field of radio and television as provided in the Communications Act of 1934. The exclusive Federal control was upheld by the Supreme Court in 1940 in the case of *Federal Communications Commission v. Pottsville Broadcasting Co.* However, while CATV is an adjunct of television, the Congress has granted jurisdiction to the FCC over CATV systems only with respect to the use of radio waves. The FCC cannot regulate CATV as a common carrier.

The public interest issue in the controversy between a local television broadcast station and a CATV system in the same community has received much attention by the FCC and by the Congress.

As you know the issues were debated before a subcommittee of the Senate Interstate and Foreign Commerce Committee in 1959 and several bills to regulate CATV were introduced in the 86th Congress. No action was taken in the House and one bill got as far as the Senate but failed to pass and was recommitted to the Senate Commerce Committee. In this Congress, a bill (S. 1044) was introduced in the Senate, to control CATV, but no action has been taken on it thus far. I introduced a similar bill, H.R. 6840, at the request of the FCC, but no action has been taken by the House Commerce Committee or the subcommittee on it and none is contemplated at present.

In contrast to the unduly widespread scope of some of the earlier bills, the latest FCC proposal is designed to vest in the Commission authority to act only in those situations where local television stations are claimed to be in competition with community antenna television systems.

Of course, there has been a great improvement in CATV-broadcaster relations since these bills were introduced. I read in the trade press that at a recent meeting of your

industry with FCC Commissioners and staff, it was pointed out that the communities where the CATV system did not carry the local television station could perhaps today be counted on the fingers of one hand. In view of the fact that there are well over 67 communities where a local station and a CATV system coexist, the problem can no longer be regarded as acute. By the same token, the old charge that the removal of rooftop or other antennas at the request of the subscriber, made it more difficult for the television station in the same community to be received, disappears as the cable carries this local station. The problem of attenuation of signals has almost disappeared as the improved state of the technology makes reception on the cable better than ever. Obviously, no community antenna operator would deliberately degrade a signal and make his service less attractive to his own subscriber. He would be working against his own pecuniary interests.

I am informed that an increasing number of CATV operators and broadcasters are working closely with each other to resolve their conflicts and establish a harmonious basis for each to render its respective service to their community in the public interest. Obviously, these agreements hold out some excellent promise that the overall relationships between local broadcasters and CATV systems will improve still further.

Some cities or counties seem to be attempting to regulate television through insistence upon nonduplication agreements involving broad areas, such as grade A contours, et cetera. I thought this danger had been averted by a decision on June 4, 1959 by the U.S. District Court, District of Minnesota, First Division, enjoining a city in Minnesota from attempting to impose a nonduplication agreement upon a CATV system. I would expect that CATV operators will not permit a host of divergent and conflicting local regulations to spring up. The pertinent court decisions in these matters should be brought to the attention of the local authorities and their jurisdiction should be challenged in the courts, if necessary.

The temptation is great, of course, when vying with each other to obtain a local franchise, to accept such stipulation in order to win the coveted franchise. However, such restriction may plague you as an industry in the future.

Finally, there is one real threat which you presently face and this threat is that without the benefit of CATV legislation, the FCC may proceed to regulate CATV through their jurisdiction over microwave common carrier operations. The threat flows from the FCC's decision in the Carter Mountain case. That is the case that denied a common carrier microwave company a license unless the CATV system which it intended to serve would agree to carry the local television programs and avoid duplication of its programs.

It is in this case that the FCC's Common Carrier Bureau filed a brief in which it characterized that decision of the FCC as "arbitrary and discriminatory."

The Common Carrier Bureau pointed out that while the Commission had ruled consistently that it did not have jurisdiction over CATV, the approach taken in the Carter Mountain case was a method of indirectly controlling the industry. The Common Carrier Bureau warned that the Commission's restrictions would have to "be applied to all common carriers, alike, across the board."

The brief then stated:

"Under the doctrine of this case, the FCC would be required to examine every telephone company application for extension of its facilities—to determine whether a grant of such application might afford undesirable service to a CATV system vis-a-vis a TV broadcaster. An interesting and logical ex-

tension of this philosophy would give the Commission the power to affect control of broadcast networks by the expedient of refusing to authorize use of common carrier facilities for the networks until some desirable conditions have first been satisfied."

If the Common Carrier Bureau is right in its warning and conclusion, then this decision contains frightful implications which should give concern not only to your industry but also to telephone companies, broadcasters, and other businesses, too.

Since this case has been appealed to the courts, I will not comment on the merits of the Commission's decision. However, if upheld, the decision in this case will change the FCC's and the courts' previous holdings on the duties and obligations of common carriers. If the Commission's new interpretation is sustained, the Congress is likely to be asked to hold hearings and reexamine what should be the scope of the Commission's powers over the common carriers. In the meantime, I would think the Commission is likely to adhere to its previously announced policies, until clear determination of its authority in this field is obtained from the courts.

#### CONCLUSION

Except for some of the legal problems confronting your industry, I believe that the CATV industry is facing a rosy future of fresh opportunities to continue to serve the public. Neither local broadcasters nor CATV operators stand much to gain from discord or from appeals for greater regulation or legislation. Controls are two-edged swords. They cut both ways. Legislation or regulation is seldom obtained in the form sought. That is why I commend broadcasters and CATV operators who have resolved their differences through amicable agreements. In fact, these agreements are a fine demonstration of operation in the public interest—and again I want to congratulate you for it.

#### TRIBUTE TO SENIOR CLASS OF GLEN LAKE COMMUNITY HIGH SCHOOL, MICHIGAN

Mr. HART. Mr. President, the senior class of Glen Lake Community High School—33 happy, fresh-faced youngsters—arrived in Washington this morning.

These are the Michigan youngsters who three weeks ago decided not to make the trip, electing instead to pay the medical expenses of a classmate stricken with cancer.

Dozens of people, here and in Michigan and elsewhere, responded to this act of selflessness with a determination to see that the youngsters made their class trip after all.

I met the Glen Lake seniors at Union Station this morning.

I wish, Mr. President, that there was some graphic way of putting smiles and laughter and excitement into this RECORD. I wish there was a way to fill this page with warm, grateful handshakes. It was a memorable moment.

Everything these young graduates said and did this morning boils down to two words, and I am happy to pass them along—even though they seem sterile and inadequate without the smiles and handshakes and excitement.

The words are "Thank you."

But I think the people who helped bring this class to Washington have gained something, too. By their simple act of charity, these youngsters have

given us all an experience that we can warm ourselves by for years to come.

So, perhaps, if we were to give these youngsters an answer, we should use the same two words: "Thank you."

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. HART. I yield.

Mr. HUMPHREY. I wish to join the Senator from Michigan in commending this class of high school students, the members of which have shown, first of all, initiative of their own in saving money to make this trip to Washington, and then the act of compassion and kindness in the giving over of their funds and resources to one of their classmates who was very ill. I think it was a marvelous example of the highest qualities of character of our young people. It is the kind of good act by young Americans that every one of us should applaud. I am sure the Senator from Michigan had one of the most enjoyable and happy experiences of his life when he was privileged to meet this high school class.

I may add that the words of the Senator from Michigan will ring throughout the RECORD with the spirit of joy, laughter, good humor, and good feeling that he said he hoped he could indicate by his expression. He has done so. He should not have any worry about it.

Mr. HART. I appreciate very much, as I know these students will, this expression from the distinguished majority whip, and Michigan's good friend from Minnesota, Senator HUMPHREY.

#### NAVY PURCHASES OF FOREIGN STEEL

Mr. WILLIAMS of Delaware. Mr. President, it has been generally recognized in financial and government circles throughout the world for the past few years that increasing pressure on the dollar and the constantly growing outflow of gold from the United States represented perhaps the most serious immediate problem that this country had to face.

Last year, at the request of President Kennedy, the Congress agreed to cut the duty-free import allowance that was granted to returning tourists in an effort to cut down on the outflow of dollars. We have been told that American businesses must step up their efforts to increase export sales in order to bring more American dollars back home, and Americans are urged to buy American-made goods to help our own economy as well as to keep our dollars here.

With this as a background, I was astounded to read in the Evening Star of June 18 an article which carried the headline "Navy Triples Its Buying of Foreign Steel."

The story—an Associated Press dispatch from Cleveland—states that the Navy in fiscal year 1961 purchased 3.3 percent of its steel from foreign sources but that in the first ten months of the current fiscal year that figure had jumped to 7.4 percent. The dollar figure, at the same time, jumped from \$629,124 in fiscal year 1961 to \$1,739,151 in the first 10 months of this fiscal year.



While this does not represent a great deal of money when compared with our overall trade deficit, nevertheless it is these isolated cases which make up the total. When one considers the difficulties the steel industry has been facing recently—both pricing and production problems—it does not seem to make sense for the Federal Government to buy its steel from foreign sources.

During the 1960 presidential campaign President Kennedy had a great deal to say about the fact that the steel industry was operating at only 50 or 55 percent of capacity and indicated that if he were elected all this would be changed. Yet the Wall Street Journal reported yesterday that last week the industry's operating rate was only 52.7 percent of estimated capacity and that most steel men look for the rate to drop below 50 percent next month.

Mr. President, it hardly makes sense for the administration to concern itself so much with the balance-of-payments deficit, with the unemployment problem—especially in the steel industry—and with the rate of production of American steel mills when the Government itself is buying its steel from foreign concerns.

If this is what the President had in mind when he promised to "get this country moving again" one must certainly wonder what direction he had in mind.

I ask unanimous consent to have printed in the RECORD at this point the article from the Washington Evening Star of June 18, 1962, entitled "Navy Triples Its Buying of Foreign Steel" and the article from the Wall Street Journal of June 19, 1962, entitled "Steel Output Rose a Bit Last Week After Long Drop."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Star, June 18, 1962]

#### NAVY TRIPLES ITS BUYING OF FOREIGN STEEL

CLEVELAND, June 18.—The Navy will spend nearly three times as much on foreign steel in the fiscal year ending with this month as it spent last fiscal year, Steel magazine said today.

"U.S. firms are disturbed because the Navy is placing orders for all the steel needed to build a ship at one time," the weekly journal of metalworking said.

"Last month, the Navy purchased 3,500 tons of steel from West Germany for three missile frigates. Another order for more than 1,000 tons of plates, to be awarded shortly, will go to a Japanese firm."

Steel said that in fiscal 1961 the Navy bought \$629,124 worth of foreign steel, but in the first 10 months of fiscal 1962 purchases of foreign steel total \$1,739,151.

Looking at it another way, the magazine said, the Navy bought 3.3 percent of its steel from foreign sources last fiscal year and in the first 10 months of fiscal 1962 has purchased 7.4 of its steel needs abroad.

Steel production, dropping steadily since April 1, was less than 1.54 million tons last week. It will continue to slide to a bottom of about 1.3 million tons in the July 4 holiday week, Steel said.

The scrap market continued unchanged from the previous week at an 8-year low figure of \$24.83 a gross ton for steel's price composite on No. 1 heavy melting grade.

#### STEEL OUTPUT ROSE A BIT LAST WEEK AFTER LONG DROP—BUT NEW DECLINE IS EXPECTED DURING USUAL SUMMER LAG; JULY ORDERS CALLED POOR—DOWNTREND MAY BE NEAR END

Steel production edged upward last week after declining for 10 consecutive weeks. But most steel men view the improvement as only temporary, and say slack business should carry output further downward into July.

The Nation's steel mills melted 1,587,000 tons of raw steel in the week ended last Saturday, up four-tenths of 1 percent from the 1,580,000 tons produced in the previous week, the American Iron and Steel Institute said.

Last week's slight pickup arrested a production plunge that has carried output down nearly 35 percent since the end of March. The slump came as steel users began to liquidate large stocks built as a strike hedge prior to the industry's early labor agreement with the United Steelworkers of America in late March.

Steel men say customers are slowly coming to the end of inventory reduction, but this is occurring at a time when the industry is moving into its traditional summer slowdown. Demand generally slackens during July as steel users close some plants for vacations and automakers slow down buying to begin model changeover. This year is expected to be no exception, and most steel men look for output to slip below 50 percent of capacity, at least during the July 4 holiday week.

#### NO UPTURN BEFORE MID-AUGUST

"We don't think there's going to be any upturn in production before mid-August," comments an official of one of the Nation's largest steel companies. An executive of a Midwestern mill, who says incoming orders for July are among the worst in the past 10 to 15 years, figures the industry may operate below 45 percent of capacity in the July 4 holiday week.

Although last week's improvement was slight, it followed a decline of only 0.4 percent in output the week before and indicates that the production downtrend is nearing bottom. Output had been plunging several points at a time during late April and early May.

Last week's pickup increased the industry's unofficial operating rate to 52.7 percent of estimated capacity from 52.5 percent the previous week. The industry's official production index rose to 82.5 percent of the 1957-59 weekly average from 84.8 percent the previous week.

The precise production outlook this week is unclear, with major mills in the large Youngstown district scheduled to hold operations steady at about 47 percent of capacity and key mills in the Alabama-Georgia region due to continue operating at 66 percent of capacity. One Pittsburgh area mill is due to step up output this week, but United States Steel Corp. plans a cutback this weekend that no doubt will depress the area's output later this month. In the Buffalo district, major mills are operating at 31.8 percent of capacity, down from 34.5 percent a week ago.

While last week's production increase was small, it came as a surprise because most steelmakers have been forecasting a continued drop. There was no readily apparent reason for the improvement, but from the way most steel men have been talking it didn't reflect any order surge.

#### NO CHANGE IN DEMAND

In the Cleveland area, for instance, one mill said production was improving from a depressed level of the prior week, but that there was no basic change in demand. And Granite City Steel Co., in St. Louis, said its production surged ahead last week because it received some orders for quick delivery.

Last week's increase resulted from a 2-point improvement in the Pittsburgh district, which is the Nation's largest, and increases in the smaller western, southern, Cleveland, and St. Louis districts. Output declined in four districts and held steady in two.

The American Iron and Steel Institute reported:

	Net tons produced	Index of production
Week, June 16.....	1,587,000	85.2
Week, June 9.....	1,580,000	84.8
Year to date.....	51,348,000	114.8
Year ago to date.....	41,168,000	92.1

The index of production is based on average weekly output for 1957-59 of 1,862,933 tons.

The index of production by districts:

	Week, June 16	Week, June 9
Northeast coast.....	83.0	84.0
Buffalo.....	61.0	66.0
Pittsburgh.....	84.0	82.0
Youngstown.....	64.0	69.0
Cleveland.....	82.0	76.0
Detroit.....	109.0	109.0
Chicago.....	86.0	87.0
Cincinnati.....	86.0	86.0
St. Louis.....	99.0	89.0
Southern.....	103.0	101.0
Western.....	100.0	97.0
Total industry.....	85.2	84.8

#### PLEA FOR URGENCY

Mr. HUMPHREY. Mr. President, I would like to invite my colleagues' attention to a striking example of courageous leadership in the labor movement. In the first issue of a new magazine published by the building and construction trades department, AFL-CIO, there is a fine article by the department president, C. J. Haggerty, a labor statesman of long standing. I can think of no clearer voice to speak for and to labor than that of Mr. Haggerty.

In this statement, he speaks of the absolute necessity for our missile base construction program to proceed without interruption, without regard to local disputes or petty annoyances. I commend Mr. Haggerty's forthright stand on this issue of national importance, and I ask that the text of his article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### AN URGENT APPEAL TO ALL BUILDING TRADESMEN

(By C. J. Haggerty)

For the better part of my life I have worked with and for the building trades craftsmen of this country. Experience has taught me to admire and respect not only their skill, but their sound commonsense and deep patriotism. That is why I am directing this urgent appeal to the members of our building trades unions.

We have a tremendous job to do—a job not for any private employer, but for our country. The missile base construction program is the key to our national defense. All our hopes to preserve world peace, to safeguard the free way of life, to deter further Communist aggression and to promote the future well-being of ourselves and our families depend upon the speed and the excellence with which the missile bases are completed.

During the last 8 months of 1961, our men did a wonderful job. Time lost due to shutdowns on missile bases was reduced to the vanishing point.

As a result, the missile base program is now on schedule—in some instances ahead of schedule.

But things have deteriorated in the first quarter of this year. In fact, there is serious, official concern about the increasing number of work stoppages. Again we hear threats from those in Congress who are out to smear labor and enact further antiunion legislation.

We cannot afford to ignore the danger signs. The trend of the last few months must be halted and reversed. I am confident of the full cooperation of American building tradesmen once they know all the facts.

The causes of the stoppages fall into two main categories. First come disputes resulting from unsatisfactory working conditions. Second are those developing from jurisdictional disputes.

I have traveled back and forth across the country repeatedly in the last 2 years to learn from direct inspection just what the problems are at the various missile bases. No one knows better than I the terrible conditions under which our men have been forced to work and live at certain far-flung sites. The human factors involved in some of these disputes cannot be overlooked.

But in spite of the irritations and the provocations and the redtape that cause tempers to flare up, I say to you as strongly as I can that there is absolutely no justification or valid excuse for a work stoppage at any missile base at any time.

That is a sweeping statement. I would be the last one to make such a statement unless there was overwhelming evidence to prove it.

In the first place the presidents of each of the international unions affiliated with this department adopted a clear-cut policy with regard to the missile base program on February 15, 1961. Recognizing the urgency of that program, the internationals notified each of their local unions that they were under obligation to give notice to international headquarters and secure approval before engaging in any work stoppage.

Not a single international union has since that date given its sanction to a local work stoppage.

On the contrary, the officers of the international unions have expended much time and effort to prevent local walkouts, to end them promptly when they do occur and to halt wildcat action of all kinds.

Secondly, in behalf of the entire trade union movement, AFL-CIO President George Meany gave President Kennedy a solemn pledge a year ago—a pledge not to halt work at any missile base. That pledge is binding not only on this department and its affiliated international unions, but on every one of their local unions. It places an obligation upon every individual member of the building trades unions.

On the strength of labor's pledge, President Kennedy created the Missile Sites Labor Commission with machinery both at the local level and the national level to remedy injustices, inequities or valid grievances. It doesn't take a work stoppage to make this machinery move. The whole purpose of the Commission is to convince everyone concerned that justice can be obtained promptly without resorting to extreme action.

In the case of jurisdictional disputes, this department and its affiliated unions have established, together with cooperating contractors, the joint board for the settlement of jurisdictional disputes. In creating this board, our unions agreed to submit disputes for adjudication on the merits without work stoppages. Surely that agreement, applicable to private construction, is far more binding in the case of missile sites.

The present situation is critical. Each building trades worker, each local union official, must understand his responsibility and carry it out faithfully. I appeal to you to do so. We have a big job to do. It cannot wait.

In the days and months ahead, it is up to us to strengthen America's main line of defense—its missile system. We've got to take into consideration the whole picture, not merely what's happening right under our noses. Our grievances on the job are minor compared to our main grievance against the Communist leaders who are threatening us and all freemen so boldly. Unfortunately, we can't get that problem settled by an impartial commission, as we can with our job problems.

Remember, if the Kremlin prevails we won't have to worry any more about anti-labor legislation. The penalty for work stoppages will be death at dawn before a firing squad.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 2339) for the relief of George Ross Hutchins, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 1304. An act for the relief of Jung Hae;  
H.R. 1488. An act for the relief of Clara G. Maggiora;  
H.R. 2371. An act for the relief of All Khosrowkhah;  
H.R. 2604. An act for the relief of Pietro Dattoli;  
H.R. 2664. An act for the relief of Mrs. Irena Ratajczak;  
H.R. 3000. An act for the relief of Lea Min Wong;  
H.R. 3131. An act for the relief of Richard C. Collins;  
H.R. 3501. An act for the relief of Mrs. Hasmik Arzoo;  
H.R. 3922. An act for the relief of Mrs. Elizabeth G. Mason;  
H.R. 4718. An act for the relief of Bogdan Kusulja;  
H.R. 6987. An act for the relief of Maj. William R. Cook;  
H.R. 7385. An act for the relief of Charles Waverly Watson, Jr.;  
H.R. 7900. An act for the relief of Lt. (Jg.) James B. Stewart;  
H.R. 9186. An act for the relief of Eladio Aris (also known as Eladio Aris Carvallo);  
H.R. 9593. An act to provide for the conveyance of certain phosphate rights to the Dr. P. Phillips Foundation of Orlando, Fla.;  
H.R. 10459. An act to provide for the conveyance of 39 acres of Minnesota Chippewa tribal land on the Fond du Lac Indian Reservation to the SS. Mary and Joseph Church, Sawyer, Minn.; and  
H.R. 12154. An act to amend and extend the provisions of the Sugar Act of 1948, as amended.

#### ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 2186. An act for the relief of Manuel Arranz Rodriguez;  
S. 2340. An act for the relief of Shunichi Aikawa;

S. 2418. An act for the relief of Elaine Rozin Recanati;

S. 2486. An act for the relief of Kim Carey (Timothy Mark Alt);

S. 2562. An act for the relief of Sally Ann Barnett;

S. 2565. An act for the relief of Michael Najeeb Metry;

S. 2895. An act to provide for the conveyance of certain lands of the Minnesota Chippewa Tribe of Indians to the Little Flower Mission of the St. Cloud Diocese; and

S. 2990. An act for the relief of Caterina Scalzo (nee Loschiavo).

#### HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H.R. 1304. An act for the relief of Jung Hae;  
H.R. 1488. An act for the relief of Clara G. Maggiora;  
H.R. 2371. An act for the relief of All Khosrowkhah;  
H.R. 2604. An act for the relief of Pietro Dattoli;  
H.R. 2664. An act for the relief of Mrs. Irena Ratajczak;  
H.R. 3000. An act for the relief of Lea Min Wong;  
H.R. 3131. An act for the relief of Richard C. Collins;  
H.R. 3501. An act for the relief of Mrs. Hasmik Arzoo;  
H.R. 3922. An act for the relief of Mrs. Elizabeth G. Mason;  
H.R. 4718. An act for the relief of Bogdan Kusulja;  
H.R. 6987. An act for the relief of Maj. William R. Cook;  
H.R. 7385. An act for the relief of Charles Waverly Watson, Jr.;  
H.R. 7900. An act for the relief of Lt. (Jg.) James B. Stewart; and  
H.R. 9186. An act for the relief of Eladio Aris (also known as Eladio Aris Carvallo); to the Committee on the Judiciary.  
H.R. 9593. An act to provide for the conveyance of certain phosphate rights to the Dr. P. Phillips Foundation, of Orlando, Fla.; and  
H.R. 10459. An act to provide for the conveyance of 39 acres of Minnesota Chippewa tribal land on the Fond du Lac Indian Reservation to the SS. Mary and Joseph Church, Sawyer, Minn.; to the Committee on Interior and Insular Affairs.  
H.R. 12154. An act to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Finance.

#### AMENDMENT TO THE SUGAR ACT OF 1948, AS AMENDED

Mr. LONG of Louisiana. Mr. President, in view of the fact that the message from the House has reached the Senate concerning the amendment of the Sugar Act, I wish to state that it is the judgment of a number of Senators who serve on the Committee on Finance that the bill proposed by the Kennedy administration for the amendment to the Sugar Act is far superior to the bill which was passed by the House of Representatives.

The statement by the Under Secretary of Agriculture before the Committee on Finance today I believe very thoroughly and convincingly spells out the vast superiority of the Senate bill over the House bill.

It is my judgment that the Committee on Finance will report a proposed amendment to the Sugar Act pretty



much in line with what the administration has recommended.

As one who serves not only on the Committee on Finance but also on the Committee on Foreign Relations, I must say that the bill the House has sent to the Senate, in my judgment, represents the action desired by one or two people on a House committee which does not have jurisdiction over international relations, who wish to set their own foreign policy by attempting to parcel out quotas to various nations as they believe the sugar quotas should be divided. There are great bonuses available under the old Sugar Act concept.

It is my hope that the Senate will see fit to adopt the approach advocated by the Kennedy administration. I am pleased to be a cosponsor of that bill.

Mr. President, I ask unanimous consent that the statement presented by Under Secretary of Agriculture Charles S. Murphy to the Committee on Finance today—not the interrogatories, but the prepared statement—may be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### SUGAR ACT AMENDMENTS OF 1962

(By Charles S. Murphy, Under Secretary of Agriculture, before the Senate Committee on Finance, July 20, 1962)

Mr. Chairman and members of the committee, I am glad to have this opportunity to appear before this committee to testify on H.R. 12154, the bill passed by the House to extend and amend the Sugar Act. I would also like to refer to S. 3290, a bill which was introduced by 36 Members of the Senate for a similar purpose.

On May 16, the Secretary of Agriculture appeared before the House Committee on Agriculture and testified on behalf of the administration's recommendations for extension and amendment of the Sugar Act. The bill, as passed by the House, on June 19, is substantially the same as the administration's recommendations, with respect to participation by American farmers in our sugar market. Accordingly, I will not dwell at any length upon these provisions—particularly since they are in accord, I understand, with the thinking of all segments of the domestic industry.

In essence, the offshore domestic areas, Hawaii, Puerto Rico, and the Virgin Islands, would be enabled to market all of the sugar they are likely to produce between now and the end of 1966 when the extension would expire. Mainland sugarcane production in Louisiana and particularly in Florida has expanded tremendously during the 3 most recent years when production was unrestricted. Because of the many new mills in Florida and the vastly expanded acreage it probably will be necessary to control mainland sugarcane production beginning in 1963. However, the more than 35 percent increase in the quota for mainland cane suggests that it will not be necessary during the life of the extension to curtail production below 445,000 acres. This is 85,000 acres more than 1961 production.

The bill provides that 63 percent of market growth or a little more than 100,000 tons a year would be available to the two mainland producing areas in ratio to their basic quotas, that is, about three-fourths to the beet sugar area and one-fourth to the mainland cane area. The approximate 25,000 tons a year expansion for cane will ease the annual acreage restrictions in Louisiana and Florida.

As to sugarbeets, the approximately 75,000 tons annual increase in quota on top

of the 25-percent enlargement of that area's basic quota to 2,650,000 tons, plus the need to replenish inventories which have fallen below desirable working levels would be sufficient to provide for all the sugarbeets that reasonably may be expected to be processed in the existing sugarbeet factories and to provide for the entry of some additional production in new localities.

The bill provides that acreage not in excess of that needed to yield 50,000 short tons of sugar shall be reserved for growth and expansion of the beet sugar industry. In response to a question at the House committee hearing, the Secretary of Agriculture stated that it was his understanding that each year in which proportionate shares are effective the acreage required to produce 50,000 tons of sugar, or about enough for one new factory, would be reserved primarily for new localities of production. In the committee report on pages 6, 7, and 8, his statement is repeated and a system of priorities and selection is suggested at somewhat greater length.

Your committee may wish to provide additional legislative history or statutory language with respect to his administration of the new locality provision and you may be sure he will welcome all of the guidance you may care to give him in what, I know, will be a difficult administrative decision—making procedure.

I would like to direct my remarks now to that part of H.R. 12154 which is in substantial disagreement with the administration's recommendations, that is, the part that concerns the acquisition of foreign supplies.

The administration has recommended and S. 3290 provides that the quotas for foreign countries other than Cuba under the present act be continued and that the balance of our foreign requirements of 2,585,000 tons at the present level of sugar requirements be prorated to Cuba to become available to that country when we resume diplomatic relations. Importations of such sugar would be subject to an import fee of the amount needed to effect a domestic price which would fulfill the objectives of the act. It was further recommended that the quotas for foreign countries other than the Republic of the Philippines be subject to payment of a fee graduated on a rising scale. No change was recommended with respect to the quota of the Republic of the Philippines or the terms of importation from the Philippines.

The principal reason why the administration recommended the recapture of the quota premiums through the import fee and the so-called global quota are as follows:

1. It will increase Treasury receipts by about \$130 million a year to begin with and by more as the years pass.
2. It will improve the U.S. balance-of-payments position by an equal amount.
3. It will provide better assurance of sugar supplies when and as we need them.
4. It will avoid discrimination by the United States among various nations with which it has friendly relations.

The Sugar Act was written 28 years ago to deal with the economic emergency then existing. It was tailored to meet the situation when the Philippines were part of the United States and Cuba was our only substantial foreign supplier of sugar.

The Sugar Act worked well during the prewar period and during the early postwar years. It benefited producers in the United States and the Philippines and lifted Cuba out of the depression. Moreover, while we had a cooperative government in Cuba that was able to supply this country with virtually unlimited quantities of sugar at any time, the system gave protection to domestic consumers as well as to producers.

With the advent of the Castro government and communism in Cuba we lost the very basis upon which the previous system

of country quotas was established. Since late 1960 this country has tried to maintain the form of the old system by distributing Cuba's quotas among other foreign suppliers. Through good luck we have been able to obtain supplies for domestic consumers without disruption or serious price increases. The fact remains, however, that this has been more the result of good fortune than of good management. Reserve supplies in the individual foreign supplying countries have not been adequate to give American consumers real supply protection.

The sugar quota system has become a foreign aid measure in which we determine the amount of aid we give to a foreign country by its ability to gain access to our sugar market rather than by its demonstrated need for foreign assistance. In 1961 we imported sugar from more than 20 foreign supplying countries and paid them a total of over \$200 million in excess of the world average price of sugar.

Let me say why the administration supports a price well above the competitive level for domestic producers and does not support the same high premium price for foreign suppliers, other than the Republic of the Philippines with which we have a trade agreement.

The degree of support afforded domestic producers is possible only because the act provides for production management. Without production adjustment, the demand to produce sugar crops would expand rapidly in this country. The act does not provide and it is obviously impossible to control production in foreign countries. Right now, production is being expanded in many countries of the world in the hope of obtaining a larger quota in the U.S. premium market. If this situation is permitted or encouraged to continue, the United States may soon be accused of promoting overproduction and of breaking international markets. Even now, it is impossible to satisfy the demands of foreign producers for a place in this market. In a few years the disappointment of those countries which do not receive the marketing opportunities they hope for will be further aggravated.

I would like now to comment on arguments that have been made against the so-called global quota.

1. It has been said the protection provided domestic producers for more than 25 years under the Sugar Act would be impaired unless the benefits to domestic producers (other than direct Government payments and tariff protection) be made available to foreign countries—29 of them as provided in H.R. 12154. I do not really understand this contention. The price and income protection for domestic sugar producers stems from section 201 of the act which requires the Secretary of Agriculture to make available a supply of sugar that will be consumed at prices that will not be excessive to consumers and that will protect the welfare of the sugar industry. That section provides further detailed guidance to assure the attainment of the general objective of fair and stable prices. The administration subscribes without reservation to the philosophy that American farmers should be enabled to participate with all other segments of our population in the abundance this country has to offer. The administration in drafting its recommendation provided assurance that when foreign sugar enters the flow of commerce in this country it would be priced at a level consistent with the terms of section 201 of the Sugar Act. The mechanism provided is simple and it is sure. All foreign sugar coming into this country must pass through a customs port of entry. Right now under the present Sugar Act, no quantity of sugar in excess of 100 pounds may be entered without the Collector of Customs having in

his possession a quota clearance certificate issued by the Department of Agriculture. The administration proposes that such clearance certificates for foreign sugar other than from the Republic of the Philippines be issued only upon payment or binding agreement to pay an import levy approximately equal to the difference (after adjusting for freight and most-favored-nation tariff) between the world market price of sugar and a domestic price consistent with price objectives of section 201. The fee would be varied from time to time whenever necessary. Thus, after this sugar is cleared through customs, it is priced in conformity with the price of domestic sugar similarly situated.

2. A number of persons have expressed fears that permitting all friendly countries to compete on the basis proposed would not provide the security of foreign sugar supply obtainable under a system of individual country quotas. The validity that this argument may have had disappeared when Castro took over Cuba and reoriented the entire life of that country.

It is true enough that Cuba once maintained ample supplies of sugar throughout every month of the year to serve whatever surges might occur in the demand for sugar in the United States. But this is the past. No country today produces and has available supplies of sugar for export in the quantities that Cuba once had. In July 1960, when we discontinued sugar importations from Cuba, a number of our other supplying countries had recently accumulated surpluses, in some cases to embarrassing proportions. The two events happened to occur at about the same time. But in the last 2 years we have drained those surpluses away and current exportable supplies from those countries as well. For more than a year, our foreign supplies available under a strict allocation basis have been shipped hot from the mills. A natural disaster in any one of the countries, a strike or other economic emergency, or a miscalculation as to production potential interferes with the flow of sugar from that source. This can no more be corrected quickly than it can be foreseen. It disturbs the marketing of domestically produced sugar which becomes available in quantities in the closing quarters of the year. It disturbs the price stability that is so desirable under this type of legislation. Summertime foreign supplies, when demand is heavy, are distressingly meager and last-quarter supplies are embarrassingly large when the mainland areas are in the midst of their heavy production.

The fact is that the insecurity and instability of our foreign supplies would be corrected under the administration's recommendation and consumers would have the security of supplies that they have not known in the last 2 years. In the global quota of more than 2,585,000 tons, all of the friendly countries could compete for a share of our market, and our refiners would have all of these sources from which to obtain their supplies as needed. If a stoppage occurs in the flow from one source, additional quantities are readily available elsewhere. The situation reverts in essence to what it was when Cuba maintained a large reserve and made it available when and as needed.

3. It is said that the economies of a number of our quota supplying countries are geared to the premium price of the American market and will suffer in making the adjustment to the world market price level, even if that market rises somewhat following the merger of our foreign requirements into the world market. It is true that the adjustment could better have been made 2 years ago than now. On the other hand, many of these countries had burdensome supplies of sugar at that time which were

beginning to create severe economic problems. As a result of the Cuban windfall, those countries supplied many times the quantities of sugar they had previously been permitted to market in the United States. Aside from the Republic of the Philippines whose premium price status is unchanged under the proposed amendment, all foreign countries other than Cuba collectively supplied less than 300,000 tons of sugar annually to the United States prior to July 1960. Under S. 3290 which embodies the administration's recommendations, they would retain quotas somewhat larger than they had 2 years ago and the premium on this sugar would be reduced gradually until eliminated at the end of 1965. It is certainly better to begin eliminating the quota premium now than at any time in the future when if not eliminated, the sugar economies of those countries would be even more firmly geared to our premium price. If this occurs and the Communist regime in Cuba falls, either there will then be little opportunity in our market for Cuba or an even more difficult adjustment will have to be made in the sugar economies of the other countries.

4. It has been said that the determination and imposition of a variable import levy by an executive department places too much power in that department. I am sure the members of this committee know that the Sugar Act for many years has authorized the Secretary of Agriculture to establish the total supply of sugar that can be marketed in this country. His direct actions with respect to sugar supply under this authority have had an indirect but very sure effect on prices—in fact, exactly the same effect as the determination of the amount of the variable import levy would have. S. 3290 provides adequate guidance to the Department, both as to the amount of the import fee to be established and the supply of sugar made possible by the total quotas including the so-called global quota.

5. It is said that the imposition of the variable import levy will be regarded as an unfriendly act by many of the countries that have supplied our sugar. This is inescapable but in time will be relegated to the past. On the other hand the experience of the last 2 years makes it very clear that our present sugar import policy wins us no friends. Regardless of the terminology used, such as "quota" and "nonquota" sugar, when a country receives an allocation for one period, it expects one of greater or equal size in each succeeding period. Misunderstandings have arisen because of the irregular nature of the allocations. Countries that have not received allocations have felt even more strongly that they have been subjected to discrimination. Failure to receive allocations and the receipt of allocations, alike, in the past 2 years have produced misunderstandings and in some cases ill will.

6. It has been said that buying our foreign requirements at the going price is contrary to our national policy of trying to improve the market for basic commodities, particularly those produced in Latin America. It is difficult to understand how the practice of buying sugar from selected countries at very high premium prices without ability to tailor production to market needs could contribute to sound and orderly markets for basic commodities. Conversely the opening of our market to all friendly cane sugar exporting countries would certainly improve the international marketing climate for sugar and because of the enlarged marketing opportunities support the price of sugar eligible for entry here that moves in world trade.

7. It has been said that current production costs are higher than the world price for sugar. This may be but, if so, a substantial contributing factor has been the hope

of disposing of exports in the U.S. premium priced market. Furthermore, these hopes undoubtedly have given rise to production plans in high-cost producing areas. The most obvious solution for bringing prices up to a profitable level is to remove a device which can only in the long run bring about overproduction, disorderly markets, and unprofitable enterprises.

With respect to the importation of direct-consumption (refined) sugar, S. 3290 retains without substantial change the direct-consumption limitations of the present act except that the 375,000-ton limitation within the proration for Cuba would be reduced to 250,000 tons when we are in diplomatic relations with that country and eliminated completely at other times. This change is recommended to compensate the cane sugar refining industry for its percentage loss of the total sugar market stemming from the fact that refined beet sugar marketings have been increasing at a faster rate than total market growth.

S. 3290 which embodies the administration's recommendations with respect to the Sugar Act provides needed changes to bring the sugar program into conformity with the situation that now exists and to make it viable for the changes which may occur before the end of 1966.

Mr. Chairman, as you know, the House bill departs very substantially from the administration's recommendations with respect to imported sugar. H.R. 12154 increases the basic quota for foreign countries other than Cuba by about 1,085,000 tons, reduces the quotas reserved for Cuba when it returns to the Hemispheric Community of Nations to 1,500,000 tons and allocates that quota for the balance of this year and next year to 11 of the 29 countries which are granted basic quotas. The report on the bill indicates that Congress will review the temporary allocations of the Cuban quota after 1963.

The House bill further provides that the quota premium will continue to be paid on all foreign sugars.

There is one additional special provision of the House bill, not recommended by the administration, to which I wish to call attention. Section 18 of H.R. 12154 provides for the refund of more than \$22 million collected as an entry fee on the nonquota purchase sugar which the act provided for the Dominican Republic during the last half of 1960 and the first quarter of 1961, a period within the Trujillo regime. In March of 1961, the act was amended to relieve the President of the requirement that he purchase non-quota sugar from any country with which we are not in diplomatic relations. No further nonquota purchase sugar was purchased from the Dominican Republic until this year by which time diplomatic relations had been resumed with the present Government of the Dominican Republic. No fee was collected at any time on the sugar which came into this country within the statutory quota for the Dominican Republic. Two of the companies, or their successors, who paid the entry fee on nonquota sugar in order to market it have brought actions in the court of claims to recover the fees that each paid. It is the opinion of the responsible legal authorities of the Government that the fees were properly and legally imposed and it is our feeling that the litigation should be permitted to proceed without legislative interposition.

For the above reasons the Department of Agriculture feels strongly that the program recommended by the Secretary of Agriculture in his letter of May 14, 1962, to the Vice President and the Speaker of the House constitutes a sound and desirable basis for amending and extending the Sugar Act. We would now like to renew those recommendations and urge that this committee amend H.R. 12154 accordingly.



# FEDERAL COMMUNICATIONS COMMISSION JURISDICTION OVER INTERNATIONAL RATES

Mr. LONG of Louisiana. Mr. President, one of the great things about the U.S. Senate is that there is the right of debate, the right to be wrong, the right to be proved wrong, and the right to set the record straight.

In the debate concerning the bill which is now the unfinished business of the Senate as a legislative matter, I am sure those of us who oppose the bill will make some misstatements from time to time. We shall be glad to correct them, insofar as that is the case. We seek to present the full facts to the Senate of the United States. Likewise, those who favor the proposed legislation will tend to make some incorrect statements from time to time.

On yesterday, in the course of my speech, I made the statement that the Federal Communications Commission has never undertaken to determine what the rates should be for overseas calls, for calls outside the boundaries of the United States, in the history of that Commission. For 28 years the Commission has never even attempted to do that job.

The Senator from Oklahoma [Mr. KERR] raised the question of FCC jurisdiction over international rates. It seemed to be his contention that the FCC has no jurisdiction to set rates for international communications services offered by U.S. international communications carriers. He was apparently willing to concede that the FCC might have the power to set a limit on the overall earnings of a U.S. international communications carrier but wanted to stop there.

The Senator from Oklahoma seemed to reason that the United States could not have such jurisdiction over international rates because of the fact that the messages involved terminated or were received in foreign countries and the communications activities within foreign countries were subject only to the jurisdiction of the foreign country involved.

With reference to the colloquy on this point, the following sections of the Communications Act of 1934 as amended are relevant:

SEC. 201(a) It shall be the duty of every common carrier engaged in interstate or foreign communication by wire or radio to furnish such communication service upon reasonable request therefor.

SEC. 201(b) All charges, practices, classifications, and regulations for and in connection with such communication service, shall be just and reasonable, and any charge, practice, classification, or regulation that is unjust or unreasonable is hereby declared to be unlawful.

These sections seem to indicate clearly that the FCC has jurisdiction over the rates charged by a common carrier engaged in foreign communications. A check with the Common Carrier Bureau of the Federal Communications Commission indicated that the FCC itself has never had any doubt as to its own jurisdiction over international rates.

SEC. 203. (a) Every common carrier, except connecting carriers, shall, within such reasonable time as the Commission shall designate, file with the Commission and print and keep open for public inspection schedules showing all charges for itself and its connecting carriers for interstate and foreign wire or radio communication between the different points on its own system, and between points on its own system and points on the system of its connecting carriers or points on the system of any other carrier subject to this Act when a through route has been established whether such charges are joint or separate, and showing the classifications, practices, and regulations affecting such charges.

Under this section the FCC requires a filing by all international carriers of their through routes. This is required even though a connecting carrier may be an entity owned and operated by a foreign government.

Apparently, the only reason why the FCC has not attempted more comprehensive regulation or, in fact, any regulation of international telephone rates, has been that it was lacking in financial and personnel resources and there may be a contributing factor; namely, that there has not been much interest in the regulation of these rates on the part of the Commission.

In the mind of the Commission, and based on the wording of the statute, it appears clear that the jurisdiction of the FCC which was questioned on the floor does in fact exist.

In other words, the FCC clearly has jurisdiction to regulate foreign and overseas rates, even though it has not done so. As chairman of the Subcommittee on Monopoly, I raised the question when the representative of the FCC was before the subcommittee. The answer given by the staff assistant, Mr. Strassburg, may be found on page 433 of the hearings, as follows:

MR. STRASSBURG. I am Bernard Strassburg, Assistant Chief of the Common Carrier Bureau of the Commission.

What we did by this letter, Senator, we could have done at any other time in our history. We have the power to inquire into the overseas rates of the telephone company, unquestionably. We certainly have fixed rates time and time again for the international telegraph carriers in great detail.

Now, the reason that we have not in the past gone into a rate investigation, particularly with respect to the overseas rate classifications are several, and one, I think, is that the rates which were established back in 1945, the present rates were established back in 1945, since that time the traffic has grown but it has been a very small part of the overall operations subject to our jurisdiction. And the Commission, with its limited time and personnel, has to pick and choose where it is going to focus its rate attention.

Now, we do, as Commissioner Craven and Chairman Minow indicated, keep a surveillance over the overall earnings, in services subject to our jurisdiction, of the Bell System. We do from time to time get into specific classifications of service.

We have just completed a 5-year investigation, a very comprehensive investigation, of the domestic private-line services of both A.T. & T. and Western Union. There, we were dealing with an important segment of service on which there were substantial reasons to look into it.

But as far as the overseas rates were concerned, it was a growing service. The serv-

ice seemed to be developing under its existing rate structure and rate levels without being inhibited by those rate levels, and the time has come now, in light of developments as we stated in this letter to A.T. & T. that we are going to get into this thing and look precisely at their overseas costs.

So it is a matter of the choice and decision of the Commission as it goes along in light of a number of circumstances.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from Federal Communications Commission Chairman Newton N. Minow to Mr. F. R. Kappel, president, American Telephone & Telegraph Co.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 30, 1961.

MR. F. R. KAPPEL,  
President, American Telephone & Telegraph Co., New York, N.Y.

DEAR SIR: The Commission by letter dated July 26, 1960, requested that you undertake a cost study of your overseas communication services to develop for these services the investment, expenses, and revenues associated therewith. In your reply of August 8, 1960, you recalled previous discussions with the Commission relative to your views of a worldwide cable system and stated that since there had been a number of developments in that field you would like to present to the Commission the current status of your cable plans before undertaking the requested cost study. Shortly thereafter you did make such a presentation to the Commission. You further stated in your reply that meanwhile you proposed to consider methods and procedures which might be appropriate for a study of your overseas operations.

The Commission has further considered this matter in the light of current developments and desires that you proceed at once to make a cost study that will reflect the current level of earnings on your overseas communication services. In this connection, arrangements should be made with our staff immediately for the purpose of working out some of the details of the cost study. As indicated in your letter of August 8, it is presumed that you have done considerable preliminary work in this connection since that time. Without in any way delaying the completion of this study, the Commission requests that, during the course of the study, the company give attention to the matter of formulating procedures that will readily provide this type of information whenever required.

In previous discussions of proposed cost studies your position, as we understood it, was that such studies would be of little value because of the rapidly changing complexion of overseas business occasioned by new cable projects and the advent of satellite communications. As you are aware, the Commission has never had before it data on which to properly evaluate the level of earnings on your overseas communication services. Such an evaluation can no longer be delayed. As we are sure you appreciate, postponement of further Commission consideration of this matter until the character of your overseas business stabilizes is out of the question since the point of time at which this is likely to occur cannot possibly be foreseen at this time. We have noted, for instance, the substantial amounts that Bell Laboratories is billing your company for satellite research and development and your applications for construction of new cable in the Pacific area.

We will appreciate your cooperation in promptly complying with this request.

By direction of the Commission:

NEWTON N. MINOW, Chairman.

Mr. LONG of Louisiana. Mr. President, I should like to read a portion of the letter which has to do with the controversy and question of fact involved as to whether the FCC has the power to regulate the rates of A.T. & T., insofar as those rates involve calls from this Nation to a foreign nation:

As you are aware, the Commission has never had before it data on which to properly evaluate the level of earnings on your oversea communication services. Such an evaluation can no longer be delayed. As we are sure you appreciate, postponement of further Commission consideration of this matter until the character of your oversea business stabilizes is out of the question since the point of time at which this is likely to occur cannot possibly be foreseen at this time. We have noted, for instance, the substantial amounts that Bell Laboratories is billing your company for satellite research and development and your applications for construction of new cable in the Pacific area.

Mr. President, I submit that there is no basis whatever for the contention that jurisdiction does not exist on the part of the Federal Communications Commission to regulate oversea rates.

The fact is that there has been a failure on the part of the Commission to exercise its function ever since the Commission was established. The failure is a 28-year failure—which is a long time to fail to do a job assigned to a commission by the Congress.

Mr. Johnson of the Rand Corp. estimated that the American Telephone & Telegraph Co. has made a 66-percent profit on its oversea operations. If a 6½-percent return on investment would be regarded as fair for a regulated public utility, a 66-percent profit works out to 10 times the rate of profit that could be justified for that oversea service alone. That is the kind of thing that has caused some of us to say, "If you are going to rely upon the FCC to see that oversea telephone rates are reasonable, and that the space satellite program would be properly regulated if we let it go under the control of the American Telephone & Telegraph Co., you are leaning on a weak reed indeed."

Mr. President, if there is no further morning business—

The VICE PRESIDENT. Is there further morning business?

#### COMMITTEE MEETINGS DURING SESSION OF THE SENATE

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Stockpiling Subcommittee of the Committee on Armed Services be authorized to meet during the session of the Senate today.

The VICE PRESIDENT. Is there objection?

Mr. LONG of Louisiana. I object.

The VICE PRESIDENT. Objection is heard.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Irrigation Subcommittee of the Committee on Interior and Insular Affairs be authorized to meet during the session of the Senate today.

The VICE PRESIDENT. Is there objection?

Mr. LONG of Louisiana. I object.

The VICE PRESIDENT. Objection is heard.

#### EUROPEAN STEEL PRODUCTION

Mr. HUMPHREY. Mr. President, a most interesting article appeared in the Wall Street Journal of May 28, written by Mr. Ray Vicker, reporting from Luxembourg, entitled "Steel Freedom—European Mills Grow Mightily as Market Shackles are Removed."

This article, which discusses the phenomenal increase in steel production in the Common Market, points out that steel prices since 1952 in the Common Market have risen about 3 percent as against the U.S. price rise of 43 percent. During this same period the Common Market has reached a production output of 80.6 million tons last year as against U.S. production of 98 million tons.

The article discusses the interesting formula of the European Coal and Steel Community—"limited planning"—which has encouraged low prices, more efficient production, and has taken what seems to be a realistic position on mergers of steel companies.

This article, which contains a wealth of detail on wages and prices and the organization of the steel industry in Europe, should be studied by anyone interested in the competitive position of the American steel industry in the world.

I wish to call particular attention to one paragraph in the article, as follows:

And the extent to which Western European steel mills have modernized their facilities often has drawn the openly expressed envy of American steel men. In France, SOLLAC, a leading steelmaker, recently had to turn down a request from a French travel agency to route busloads of tourists through its Lorraine Rolling Mills at Seremange. Its reason: The mill is so crowded with visiting steel executives, who come to study the installation, that no guides can be spared.

The article goes on to point out that about 25 percent of steel production by 1965 is expected to come from high-speed oxygen furnaces, against 2.5 percent in 1960.

The text of the article is one of the most illuminating discussions that I have ever read of the problem of our competition in the Common Market in a basic industry such as steel.

I call the article to the attention of the Senate because it has a direct relationship to certain economic developments in the State of Minnesota, where the iron industry is such a vital part of our economy.

I wish to encourage in every way I can, in a helpful manner, the modernization of our steel plant wherever it is required, so that the United States can be competitive in the world market.

I wish to do all I can to stimulate the mining of iron ore and the conversion of certain types of low-grade ore, such as taconite, and the expansion of what we call taconite facilities, which make taconite pellets.

I ask unanimous consent, therefore, to have the article by Mr. Ray Vicker, appearing in the Wall Street Journal, May

28, 1962, printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

**STEEL FREEDOM—EUROPEAN MILLS GROW MIGHTILY AS MARKET SHACKLES ARE REMOVED—COMMON MARKET ARM ENDS TARIFFS, CURBS ON OUTPUT; PRICES STABLE AS PAY RISES—SOME LESSONS FOR THE UNITED STATES?**

(By Ray Vicker)

LUXEMBOURG.—Americans on both sides of last month's spectacular steel price battle might be surprised to chat with European steel experts.

Supporters of United States Steel Corp.'s position would hear mill executives report they have raised wages rapidly while prices held nearly steady, and yet still earned enough profit to finance most of a giant increase in spending to expand and modernize their plants.

And supporters of President Kennedy's stand would hear regulatory authorities boast they had helped write this record by allowing the mills almost complete freedom to sell their metal at any price they please.

This happy situation doesn't quite mean the millenium has arrived in European steel. But it does tell something about the accomplishments of the European Coal and Steel Community—the oldest of the international agencies working to tie the economies of France, West Germany, Italy, Belgium, Holland, and Luxembourg into a common market.

#### PRODUCTION BOOM

In 1952, ECSC set up shop amid the medieval fortifications of this ravine-cut city. Since then it has exercised regulatory authority over Western European mills roughly analogous to the authority of the U.S. Interstate Commerce Commission over American railroads. And in that period it has guided European mills through a boom that makes a striking comparison with the record of American steel by practically any yardstick chosen.

Some figures perhaps best tell the story. Between 1952 and 1961, ECSC mills raised production almost 75 percent against a U.S. gain of about 5 percent. In the last 9 years Common Market steel prices have risen about 3 percent, U.S. prices 43 percent. In 1952, ECSC-regulated mills turned out less than half as much metal as their bigger American rivals; last year Common Market steel output of 80.6 million tons trailed U.S. production of 98 million tons by less than 22 percent.

In the last 7 years European steel unions have raised wages by amounts ranging from 50 percent in Italy to 100 percent in Germany, against a U.S. rise of about 43 percent, though European wages still are far below U.S. steel pay. In the same period, ECSC-regulated mills have almost tripled their spending on new plant and equipment, to about \$1.2 billion last year. And they have drawn up to two-thirds of the investment funds from retained profit—precisely the sort of thing American mills say they can't do without price boosts of the sort President Kennedy recently forced them to rescind.

#### HOW AGENCY WORKS

How does ECSC do it? Its methods, of course, have been tailored to conditions vastly different from those confronting American steel. But at a time when steel prices and profits are still the subject of intense, U.S. debate—and when President Kennedy has been calling on American business and labor to study how European countries have achieved their high economic growth rates and "see if there is something that we can learn"—the agency's policies may neverthe-



less be worth some study. Its formula: Limited planning, combined with injection of more freedom into steel marketing than Europe has ever known.

The story begins with the condition of European steel when ECSC was formed. In common with many other European industries, it was hobbled by both national and corporate shackles. Tariffs often barred a mill from using cheap raw materials a few miles away across a national border. Discriminatory freight rates often forced buyers to deal only with mills in their own country. Cartels limited output and otherwise restrained competition. A steel user often couldn't discover what his competitors paid for their metal, since prices frequently were set in individual, secret negotiations between mill and buyer.

ECSC began by tearing away most of these restrictions. It eliminated tariffs, leaving mills free to shop anywhere in Europe for the cheapest materials they could get. It helped remove many nationalistic restrictions on commerce. It banned agreements curbing output and fixing prices. It told mills they could set any price they chose. But at the same time it forced them to publish official price lists applying to all buyers—encouraging steel users to shop around for the lowest priced metal.

#### MERGER POLICIES

Simultaneously, ECSC instituted a dual-purpose merger policy. It encourages, or at least did not oppose, mergers it thought would promote efficiency, since it feels European mills in general have not reached their maximum efficient size. But it frowned on mergers it felt would allow any company to dominate its market, and held to this policy despite some grumbling from German producers who would like to reconstitute the giant combines that controlled German steel before World War II.

As a result, claims E. P. Wellenstein, ECSC's gray-mustached general secretary, "there is more competition in steel here than in the United States, despite your antitrust activities." The biggest Common Market steel enterprise, Italy's Finisider group, controls only 10 percent of the area's production; at last report United States Steel owned about 28 percent of American steel-melting capacity. ECSC officials indicate they might let a company take 15 percent of the market, but would consider 20 percent "getting pretty big."

Finally ECSC acts as a sort of central industry planning agency—though one with limited authority. The agency has the taxing power of a sovereign nation, and collects its own funds out of a levy on the sales of the mills it regulates. It has used its funds to encourage expansion and modernization, lending money at low interest rates to mills, building new facilities; at the end of 1961 it had granted credits totaling \$313.2 million. The agency also is conducting centralized research into automation practices and procedures, channeling the information to all Common Market mills.

ECSC loans provide only a minor portion of the money Common Market mills spend on new facilities; most comes from their own resources or outside borrowing. The agency however, insists that mills file all investment proposals with it for clearance, and advises what investments it thinks are worthwhile and which ones would only build excess capacity. It can't stop a mill from making an investment anyway, if the mill can raise the money. But it can make such fundraising difficult; Common Market banks and lending agencies respect ECSC decisions, and often raise interest rates when lending money for an expansion the agency disapproves.

On labor, ECSC's policy is simplicity itself: There is no policy. The agency has no authority to take any part in wage negotia-

tions, and it has not tried to obtain any, preferring to leave mills and unions to bargain freely. European mills bargain separately with about 18 unions, instead of with one giant union as in the United States, and though wages are rising rapidly on a percentage basis, they are still far below American pay. German steel workers, among the best paid in Europe, draw 97 cents an hour; U.S. millhands recently have averaged about \$3.23.

ECSC, and the mills it regulates, have some problems too, of course. Like American steel men, some European mill executives fear excess capacity is developing. Common Market steel capacity is scheduled to grow to 110 million tons by 1965, against 88 million tons last December 31; the ECSC recently urged mills not to expand capacity for flat-rolled products any further.

#### PRICE WORRIES WITH A DIFFERENCE

Other worries may have a strange ring to American ears. Unlike President Kennedy, ECSC authorities are a bit concerned that hot competition may drive some steel prices too low. Recently, some producers cut concrete reinforcing bars to \$92.40 a ton, from the former \$104.50, to compete against imports from Czechoslovakia.

And unlike United States Steel's Chairman Roger Blough, some European mill executives wish they were not left so rigorously alone in price and production decisions. A few would like to bring back production-limiting cartel agreements now that capacity may be growing faster than demand.

But both ECSC and European mills generally are pleased with the agency's progress. Whether or not capacity is too large now, sales are still growing. Agency officials estimate coal and steel volume in the Common Market will top \$10 billion this year, against \$9.5 billion in 1961 and less than \$5 billion in 1953.

#### NO TIME FOR TOURISTS

And the extent to which Western European steel mills have modernized their facilities often has drawn the openly expressed envy of American steel men. In France, SOLLAC, a leading steelmaker, recently had to turn down a request from a French travel agency to route busloads of tourists through its Lorraine Rolling Mills at Seremange. Its reason: The mill is so crowded with visiting steel executives, who come to study the installation, that no guides can be spared.

More innovation is on the way, too. In the Saar region of Western Germany, Dillinger Huttenwerke shows visitors molten steel flowing continuously through a furnace to rolling mills, instead of being made in batches which must then cool, solidify and be reheated to be rolled; several other mills also are experimenting with this "continuous casting" process. Throughout the Common Market, about 25 percent of steel production by 1965 is expected to come from high-speed oxygen furnaces, against 2.5 percent in 1960.

ECSC stemmed from proposals made by Robert Schumann, French Foreign Minister in the early 1950's. European statesmen, disillusioned by war, visualized an economically integrated Europe as a start toward political cooperation, and thought the basic coal and steel industries were a good place to start. The agency's creation was the first major step toward European economic unity, and there is little doubt its success helped spur some of the later moves.

#### PART OF COMMON MARKET

Today, ECSC is largely integrated into the Common Market structure. It is subject to the authority of the Common Market Council of Ministers, a group of top government officials of the six member nations who act as a sort of board of directors for all international European economic agencies. It receives advice from the European Parliament,

a group of legislators from the national parliaments of the six countries. Disputes arising from its operations are heard by the European Court of Justice, which performs the same function for other Common Market agencies; recently the court told Italian steel companies they had to let ECSC investigators examine their books.

In its internal operations, ECSC is governed by a High Authority of nine men selected by the member states. They act somewhat like a cabinet, with each member specializing in certain aspects of the agency's work, and elect their own president and vice president. All six states must be represented, but no more than two of the men may come from any one country.

The Authority supervises a staff of about 950, which works in a dozen offices scattered around Luxembourg. A Consultative Committee of 51 business, labor and consumer leaders offers advice on policy, but the ECSC does not have to take it.

#### TAX, BUDGET CUTS

ECSC's internal administration has been efficient enough so that, with steel prospering, it has been lowering taxes and trimming its budget. It can impose a tax of up to 1 percent of steel mill and coal mine sales, but has lowered this in several stages to 0.3 percent as expanding sales brought in all the money it needed at lower rates.

The money finances a variety of social projects as well as modernization loans and research. ECSC provides supplementary unemployment compensation for idle steelworkers and miners, trains them for new jobs, and gives them money to transfer to employment in other areas. It also has assisted in financing 56,000 new homes for steel and coal workers, and has granted easy credits to areas where antiquated coal mines are closing to help them attract new industry.

ECSC's budget totaled \$48 million in the 1960-61 fiscal year, but has been cut to \$40 million for the year ending June 30. Main reason: European prosperity has made it easier for idle coal miners to find jobs, and eased the burden on the agency's social funds.

The ECSC has been nowhere near as successful with coal as with steel, though most authorities blame this on tough competition from oil and the fact that many high-cost mines work seams where automatic machinery can't be used. Coal production has dropped from 262.9 million tons in 1952 to 252.6 million tons last year, and since 1958 some 136,000 Common Market miners, or 22 percent of the work force have lost their jobs.

#### THE PROPOSED REDUCTION IN THE AIR TRANSPORTATION TAX

Mr. MONRONEY. Mr. President, since some public attention has been given to the fact that I am drafting an amendment to the House passed corporate and excise rate extension bill to make the 5-percent reduction in the air transportation tax effective July 1, 1962, rather than January 1, 1963, I want to state that what I am proposing is a very simple change.

A Washington Post editorial this morning describes my amendment as restoring the original provisions of the transport tax bill. By that, the writer means that it will restore the original relationship of this House-passed bill by providing for simultaneous reduction of both the rail-bus and the air carrier taxes. Since a Senate Finance Committee amendment moves up the effective date of the repeal of the 10-percent transportation tax on all carriers other

than air from next January 1 to July 1 of this year, I want to make the reduction from 10 to 5 percent in the air transportation tax effective at the same time, July 1, of this year. To do otherwise would be discriminatory and not fairplay for the air traveler.

This is a critical time for the airlines. They have doubled their seat-mile capacity as they have adjusted to the impact of the jet age. The net operating profits of all domestic airlines were a minus \$34 million in 1961. My amendment will not change the equities determined by the House, after committee study, but will give the airlines the same break on the time of tax reduction as other modes of transportation. I hope the Senate will approve it at the proper time.

I am glad both the Washington Star and the Washington Post have urged this action editorially and I ask unanimous consent to include their editorials in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Star, June 19, 1962]  
UNEVEN TAX RELIEF

The Nation's commercial airlines, which have their full share of financial troubles currently burdening all segments of the transport industry, have a reasonable complaint about the travel tax provisions contained in the excise tax extension bill now pending in the Senate. As reported by the Finance Committee, the measure would repeal, effective July 1, the 10 percent excise on rail and bus tickets, but would leave untouched the same tax on air travel until January 1, when it would drop to 5 percent. Legislation already passed by the House continued the 10 percent levy in all cases until January 1, when it provided outright repeal of the rail-bus tax and reduction of the air tax rate to 5 percent.

The air transport industry raised no objection to the House formula, accepting the proposed 5 percent tax as a fair charge for use of federally supported airway facilities. In effect, the objection to the Senate provision is a double one, namely, that giving full relief to the rail and bus carriers 6 months in advance of any relief to the airlines is discriminatory and that the 10-percent rate is approximately twice that justified as a charge against use of the airway system.

It seems logical that adjustment of the travel taxes as they bear upon all three of the principal commercial carriers should be effective on the same date. And perhaps in view of their common financial troubles, the July 1 date should apply to all—for repeal of the rail-bus excise and reduction of the airline rate.

[From the Washington Post, June 20, 1962]  
FAIR PLAY FOR AIRLINES

There is general agreement that the public interest would be better served if the taxes levied on air, bus and train travel during the Second World War were repealed.

Recently the House of Representatives passed a measure eliminating the 10-percent tax on bus and train travel as of July 1 and reducing the airline levy from 10 to 5 percent on the same date. Since the airlines requires extensive Federal facilities, the 5-percent levy was retained to defray their fair share of the user costs. But when the measure came before the Senate Finance Committee it was altered by an amendment which defers the tax reduction until January 1963, while granting early relief to the bus and train lines.

While we doubt that a 10-percent tax differential will cause substantial losses of air traffic, the weak financial position of the industry will hardly be strengthened by this discriminatory tax measure. On economic grounds as well as in the interests of equity in taxation, the Senate should promptly adopt Senator MONRONEY's amendment which restores the original provisions of the transport tax bill.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. LONG of Louisiana. I wish to commend the distinguished junior Senator from Oklahoma for submitting the amendment. As a member of the committee I know that that point was not discussed. I personally voted for the reduction of the tax on the other carriers. If the argument which the Senator makes today had been presented to the committee, I would have voted in the committee the same way as the Senator is suggesting today. I am pleased that he will raise this issue when the excise tax bill is before the Senate.

Mr. MONRONEY. I am grateful to the distinguished Senator from Louisiana. I do not believe the subject was studied adequately. If we are to remove the 10-percent tax from the railroads and bus lines, we should not leave the full tax of 10 percent on the airlines from July 1 until January 1, when it was agreed to be set at 5 percent after that period. I believe they should all be treated with the same degree of equity.

#### THE SOVIET OIL OFFENSIVE

Mr. MONRONEY. Mr. President, I have used every possible opportunity to call attention to the Soviet oil offensive, so I am glad to see any support for a U.S. counteroffensive whether it comes from colleagues, Government, press, or business. I ask unanimous consent to have printed in the RECORD a letter published this May by the Empire Trust Co. of New York on this subject, and a news story from the Washington Star of May 28, describing developments which could bring West Germany into partial dependence on Russian oil bought in Italy.

There being no objection, the letter and the article were ordered to be printed in the RECORD, as follows:

#### THE CHALLENGE OF SOVIET OIL

The cold war has taken a new turn. Russia is seeking a much bigger share of international trade. She is seeking more trade to obtain a hold on the trade lines linking the free nations. To gain more trade, she is using a powerful new weapon.

That weapon is oil.

Why is Russia using oil as its offensive weapon? Chiefly because oil represents the Soviet Union's most marketable export—and the Russians have a surplus of it.

The free world's oil companies can be counted on to hold their own in any struggle for the world's oil markets. They are strong and healthy. They are supplying a demand that is growing steadily.

The petroleum companies also operate a vast distribution and marketing network which guarantees delivery of petroleum products where and when they are needed. With their present and potential resources and facilities to meet the promise of increasing demand, the oil companies continue as a sound investment.

There are, however, the political and cold war sides to the Russian threat. To meet these challenges the free world's oil companies will be helped by the fullest understanding of the situation on the part of the public and the Federal Government.

#### RUSSIA'S ECONOMIC WEAPON

In the last 6 years, Russia has climbed rapidly to prominence among the oil-producing nations. Today, with a production of about 3.3 million barrels daily, she is second only to the United States (over 7 million barrels daily).

In 1953 Russia exported 35,000 barrels a day to the free world. In 1961 Russian oil exports to free world markets averaged 600,000 barrels daily—by far the largest item in Soviet trade with the free world. In 1965, it is estimated, the Russians could export around 1 million barrels a day to the free world.

With increased exploration and increased production the U.S.S.R. finds herself with an abundance of crude oil. Old centers of Russian oil production such as Baku, are maintaining their production through discovery of new horizons. Rich newer fields in the Urals-Volga region are setting production records. Additional fields have been discovered north of the Caucasus and in Siberia. Wells are tapping promising deposits beneath the Caspian Sea, and along its shores.

Despite her expanding oil production, Russia's internal oil demand has not kept pace. For example, the consumption of gasoline within Russia has been kept down by the small number of automobiles. There are about 4 million motor vehicles in Russia, contrasted with almost 76 million in the United States.

But the booming economies of other nations have proven a tempting market. Free world demand for oil in 1960 (excluding the United States) was 12 percent higher than in 1959. New nations such as Ghana and Pakistan, and older more industrialized nations such as Japan, Italy, and Germany are ideal customers. They need oil for their developing industries and growing economies.

#### CUTRATE COMPETITION

The needs of these nations can be met by the oil produced within the free world—in North America, South America and the Middle East. Heavy investments have been made by private industry to supply the energy fuel which will spur economic development of these nations. But when Soviet oil enters the picture it involves more than the mere problem of competition, which comes under the heading of a normal business risk. Russia can disregard the economic considerations which must be respected by its free-world competition and there are certain other abnormal underlying factors:

Item: Russian oil is state controlled. The Russians offer it as a full-scale government-to-government deal—not independent business-to-independent business. This strengthens the concept of government agencies carrying out business—a system in contrast to the traditional Western practice of private enterprise.

Item: With prices set by the state, Russia can sell oil at uneconomic rates, undercutting the prices of Western producers. Russian sales have been made at prices which are actually lower than the total of the lifting costs plus governmental taxes and royalty charges incurred by typical Middle East producers.

Item: Russian losses can be offset by charging higher rates to satellite nations. In 1960 the free world price of Russian crude oil was about 52 percent of the price satellite countries paid for the same oil.

Item: The Russians try to avoid paying for transportation, manufacturing, and marketing facilities in an importing country



by gaining the use of facilities previously paid for by private companies.

Item: Russia is often willing to accept local money, whether or not it is readily convertible into reliable currencies, in payment for her crude oil. She extends tempting long-range credit terms.

Item: Russia has been willing to make barter arrangements. She will trade Russian crude oil for staples produced by other nations: sugar, coffee, rubber, tea, cotton, wool. With industrial nations she trades crude oil for equipment she needs badly within her own borders: pipeline, ships, and complete factories, for example.

The Western oil-producing company thus stands faced with a massive competitor who can cut her prices at will and can accept payment in terms that would be ruinous for private industry.

The worldwide Soviet trade war against us has been well described by U.S. Senator HUBERT HUMPHREY. He calls it economic banditry.

#### THE THREAT CAN GROW

The Soviet economic offensive threatens to get worse. Russia is expanding her merchant fleet. Operating in a time when many tankers are idle around the world, she is actively buying tankers. In Japan, Russia contracted for 200,000 tons of tanker shipping. In Italy, a NATO country committed to defend the West against communism, Russia is having six tankers built.

The Russians are constructing two huge petroleum pipelines. One will be almost 2,500 miles long, and will carry crude oil from the Urals-Volga oilfields in Russia to refineries in Hungary, Poland, Czechoslovakia and East Germany. Its capacity is expected to be 750,000 barrels of oil a day.

Another pipeline is under construction in Siberia. It will run from the same region to Irkutsk, Siberia, and may be extended later to the Sea of Japan.

These expanded transportation facilities—new tankers and pipelines—will make Soviet oil even more of an economic threat. In addition, both ships and pipelines are then in strategic readiness to supply the Soviets in an international emergency.

#### SOVIET ECONOMIC GAINS

This year more than half the total exported Soviet oil will be bought by Western nations. Communist successes in the trade war are impressive.

In 1961 Italy imported over 100,000 barrels a day of Russian crude oil and products. This represented over 20 percent of her local demand. Offered at a low price deliberately designed to undercut Persian Gulf crude oil sales, the Russian oil is being traded for tankers, large-diameter pipe, synthetic rubber, synthetic fibers, citrus fruit—plus such things as entire chemical plants, paper plants, and metal-cutting machines.

Russia recently got a foothold in Spain, one of the most anti-Communist of nations, by trading oil for textile fibers. Since Spain has no diplomatic relations with Russia, a Belgian intermediary was used.

In 1961, Cuba received about 25 million barrels of crude oil (her entire supply) from Russia.

Sweden imports about 20 percent of her oil from Russia.

Finland gets about 80 percent of her oil from Russia. Though next door to Russia, she pays 25 percent more for it than does Sweden.

Iceland receives all of her oil from Russia in return for fish.

Japan bought about 20 million barrels of Soviet oil in 1961, ordered more for 1962. Much of the Soviet oil will be paid for by Japanese exports of machinery. Japan's deal with Russia also lays the groundwork for future imports of Siberian timber, iron ore, and coal. From Japan, Russia also gets large-diameter pipe and tankers which will

be used to deliver still more Communist oil to the world.

By buying tankers abroad Russia frees her shipyards to build freighters. These can be used in a competitive drive against the free world's merchant marine, with Russia undercutting prices for freight hauling and thereby gaining a foothold in free-world shipping.

By buying large-diameter pipe and machinery abroad, Russia gets an additional advantage; she frees her metal forming industry to produce missiles, sputniks, or anything else she chooses.

In India, the Russians recently forced free-world oil companies to lower prices by offering India Soviet oil at 10 to 20 percent below prevailing world prices. Thus the Soviets delivered a blow at the free world's oil industry merely by cutting prices in a bid; they did not even have to use up any of their own oil to win a trade-war victory.

This is an example of what Mr. Khrushchev meant when he said to Walter Lippmann: "We—the Communists—will make more trouble for you—the Americans—with every passing year."

In Europe Russian crude oil is being imported into the European Common Market area (a trade confederation composed of France, Italy, Belgium, West Germany, Holland, and Luxembourg) principally by Italy. This crude oil may be made into low-priced oil products and, in turn, can be reexported to other member nations with limited or no restriction under the Common Market trade agreement. This may disrupt the free world's normal European trade, and such disruption again results in benefits to Russia.

#### PLAN FOR ECONOMIC CONQUEST

At the Second Arab Congress in 1960, the Soviets announced their intention of regaining the oil export standing which they held prior to World War II. During 1930-33, according to E. P. Gurov, Director of the Soviet Oil Export Organization, the Soviet share was 19 percent of total Western European countries oil imports. Russia now is selling to Europe 8 percent of the oil Europe needs.

Thus Russia strikes directly at the economy of the petroleum-producing Arab countries at the same time she woos them with Communist propaganda.

The stepping up of Soviet oil exports is part of a calculated 7-year plan spanning 1959-65. The program calls for continued emphasis on all phases of oil development in Russia from exploration to distribution. Oil production is scheduled to climb from the 3 million barrels daily output of 1960 to 5 million barrels daily by 1965. Ambitious as these goals seem, Premier Khrushchev recently announced an even more optimistic goal: production of 7.8 million barrels of oil daily by 1970 and 14.2 million barrels of oil daily by 1980.

#### PAYING THE PIPER

What could happen to those nations which come to rely on the supply of Russian oil? A nation which accepts Russian oil may soon find that it is importing Russian ideas and Communist political influence. Similarly, a nation that ties itself too closely to the Soviets by exporting too many goods to Russia, is more vulnerable to Communist pressure accompanied by threatened loss of market for such goods. The Soviet have often demonstrated how they use economic dependence as a political tool. Khrushchev has said it: "We value trade least for economic reasons and most for political reasons."

There may come a day when the Russians no longer need to offer their oil so freely. The Communists' own industrial and consumer demand may climb. Or they may decide to take advantage of the dependence of other nations on their supply. Then the Soviets could raise their prices at will. They

could even refuse to supply petroleum. The dependent nations would have two choices: to agree to Russian terms or turn again to the West for their oil. The former choice could mean further expansion of Communist domination. The latter choice would mean a sudden increased demand for free world oil. A nation dependent on Russia for its oil supply may find it difficult to switch to free world sources at a later date. Refineries, pipeline and other transportation facilities could become so oriented to Russian supply that the transition could not be accomplished without delay.

And in the event of an international emergency, how secure would Western nations be who had relied on Russia for their supply of oil, essential as that fuel is to modern warfare?

It is evident that the United States has a very strong stake in the battle against the Soviet oil challenge. As the leader of the free Western nations, the United States has a duty to make others aware of the dangers which lie in Soviet trade. The inroads made by Soviet oil upon world trade relationships reinforce world tension. The continuing cold war means emphasis on defense spending and foreign aid as we try to offset the influence of Soviet trade with new and underdeveloped nations. All of these things can mean continued and increasing tax burdens for the American people, and other free world nations.

#### THE WESTERN DEFENSE

Bearing the burden of any successes gained by the Soviet oil offensive are the Western companies which have labored long and hard to develop a reliable flow of petroleum to feed the world's energy needs.

The companies—unlike the Communist government—are subject to economic discipline. They have to pay fair wages. They have to pay royalties to many governments such as those in the Middle East and Venezuela. They have to pay taxes. They have to pay dividends to their stockholders. They have to earn money for new equipment and expanding facilities. They have, in effect, to pay their share of maintaining and increasing the free world's standard of living.

#### WHAT CAN BE DONE

What can be done to stem the Soviet oil offensive before it becomes a really serious threat to world economic and political balance?

There is no easy solution in sight.

Some ideas are being proposed by various sources:

1. Use such free world organizations as NATO to impress the danger of dependence on Soviet oil on such nations as Italy. To date, some pressure has been brought to bear through American embassies abroad but efforts to stimulate all consumer countries with a greater understanding of the true nature of the Russian oil threat should increase.

2. More emphasis might be placed on the use of oil as a tool in the foreign-aid programs of the United States. Section 647 of Public Law 87-195 should be carried out. It directs U.S. Government agencies to work with other countries in developing plans for using free world supplies in their development programs.

3. Encourage free-world nations to set restrictive quotas on the amount of oil imported from the Soviet bloc.

4. Suggest to other countries that, in the event of their trading with Russia, only consumer goods be sent—rather than strategic materials or finished factories that increase the Communist potential for war.

5. Warn all countries against the dangers of the reexport trade in Soviet oil. For instance, a country that refuses to buy directly from the Communists could defeat its own ends by buying, instead, reexported Russian oil from some country that did deal with the Russians.

6. Impress upon the free world's oil-producing countries—particularly Venezuela and those in the Middle East and in Africa—the threat that Russia is to them. Continue the orderly development of the free world's oil reserves in these nations.

7. The U.S. Government should see to it that it has intimate knowledge of the oil industry in every country so that it can meet Soviet intrusions early. Cooperative efforts by a fully informed U.S. Government and the various oil companies can often provide alternatives to the purchase of Soviet oil. Always watch developments closely. There is no telling what moves Russia will make next, and the free world must be prepared to take defensive action no matter what they are.

The Federal Government and the National Petroleum Council are studying the aspects of the situation at the present time. There is real concern over the Soviet oil export policy. Although they can be counted on to hold their own, the free-world companies will be helped through a clearer understanding by the American people of the subtleties of the problem.

#### THE GROWING AWARENESS

A number of persons recently have commented on the Russian oil situation. They summarize admirably what it means.

Said U.S. Senator EVERETT DIRKSEN, of Illinois: "Soviet political leaders, engineers, and strategists have discovered the importance of oil as a political and trade weapon, and are now earnestly intent on using oil to the fullest in their conquest of the free world."

Said U.S. Senator HUBERT HUMPHREY, of Minnesota: "We must always, it seems to me, keep under close scrutiny the shifting trade tactics of the Soviet bloc, to see what kind of defensive measures need be taken against them."

U.S. Senator A. MIKE MONRONEY, of Oklahoma, in a recent speech, called the Nation's attention to the Communist economic threat. A shooting war with Russia, he said, "will probably never come" because we are prepared, and the Russians know it. "But," he said, "one war already has been declared . . . an economic war which we do not yet fully understand . . . I believe this very lack of understanding is our greatest actual danger."

An informed U.S. public—and only an informed public—is the best reply to the Soviet's declared economic war. It is with that purpose in mind that this Empire Trust Letter is published. An informed public will make it easier to adopt the right policies and legislation; it will act in the national interest; it will have a broader understanding of the trade war as Russia is waging it against the entire free world.

The Communist goals are unchanging: economic penetration—and resulting disunity—of the free world, and the use of this disunity as a beachhead for political influence.

[From the Washington Evening Star, May 28, 1962]

#### HITLER "WIZARD"—RED OIL DEALS WORRY BONN

BONN, May 28.—Hjalmar Horace Greeley Schacht, once Adolf Hitler's financial "wizard," is turning to the East to negotiate a series of big oil deals involving Enrico Mattei and Soviet petroleum.

Mr. Schacht, a spy 85, is allied with Mr. Mattei, the controversial chief of the Italian state petroleum monopoly (ENI), in plans to establish Munich as a bridgehead for ENI penetration of the West German petroleum market.

Mr. Mattei, in turn, is under heavy fire in West Germany for large-scale buying of Russian oil, which—it is feared—he intends to dump on the West German market.

Mr. Schacht's private bank, Bankhaus Schacht & Co., is a member of a consortium of German banks helping Mr. Mattei finance construction of a big oil refinery at Munich, and the construction of a pipeline from Genoa to Munich.

#### CHAIRMAN OF BOARD

Mr. Schacht is a member of the board of directors for the Munich project, Suedpetrol Ag Fuer Erdoelwirtschaft, and is chairman of the board of directors for Mr. Mattei's German distribution organization, Agip Ag.

Agip Ag is not only establishing a gasoline station network in West Germany, but is also negotiating with the West German Government for purchase of the Government-owned Autobahn Corp., controlling gasoline-station franchises along the autobahn expressway system.

Mr. Schacht's link-up with Mr. Mattei is characteristic of the shrewdness making the tall, thin, white-maned old man in the high stiff collar still a major force in continental private banking.

When Mr. Mattei first approached Mr. Schacht, Munich and southern Germany were treated by the German oil industry as a frontier area. None of the German companies would build a refinery in Bavaria or southern Germany, and gasoline prices were 5 percent higher than in the rest of Germany.

#### SEES GOLDEN CHANCE

Mr. Schacht sensed a golden opportunity in ending southern Germany's oil orphanage by bringing the aggressive Mattei organization to Germany. As usual, Mr. Schacht was right.

Since Mr. Schacht became a partner of Mr. Mattei, there has been a scramble of German oil companies to enter the south German market. At least two domestic companies plan to build refineries in competition with the Schacht-Mattei consortium, and gasoline prices have dropped throughout the area.

However, the Schacht-Mattei interests seem able to stay well ahead of their competition with grandiose planning based on the colossal resources of the ENI empire.

Mr. Schacht and Mr. Mattei are constructing a pipeline from Genoa to Munich and also plan to build another, linking Munich and Karlsruhe.

#### CONCERNS RED OIL

The biggest controversy, of course, concerns the refining of Soviet oil at Munich. ENI is the largest western purchaser of Russian oil, and while Mr. Mattei disclaims any intention of piping Russian crude oil to Munich, independent experts believe his current intake of Soviet oil is too large to be absorbed solely in his Italian refining capacity.

Mr. Schacht has given no hints of undertakings concerning Soviet crude, and the Bonn government has no legislation, either on the books or pending, which would prevent refining Russian oil at Munich.

#### COMMUNICATIONS SATELLITE ACT OF 1962

Mr. LONG of Louisiana. Mr. President, I should like to say to the majority leader and to the majority whip that I regret very much the necessity of objecting to certain committees meeting while the Senate is in session. However, those of us who are speaking in opposition to the communications satellite bill feel very strongly that the bill should not be passed in its present form.

We know what we are up against. We are up against the strongest and greatest monopoly that ever existed in the history of mankind. We know that Senators are being importuned and requested by

all the executives of the great American Telephone & Telegraph Co., on a nationwide basis, to vote for the bill without amendments and in its present form. We know if we are to succeed in drastically amending the bill, or if we are to succeed in defeating it, we will have to have the attention of Senators.

The speech I made yesterday was one of the greatest oratorical efforts I have made in this session of Congress, and perhaps in the last session as well. I regret very much that most of the speech was made to an average of about four or five Senators, and the four or five Senators who were present had their minds made up. The Senators who were uncommitted were not in the Chamber.

I hope the Senate will be tolerant and understanding of those of us who feel that we must do our best to have this case heard. We know that one of these days we will be asked to enter into a unanimous-consent agreement to limit debate. We hope we will have a chance to talk to some Senators before that event occurs.

Therefore, Mr. President, I would suggest the absence of a quorum.

Mr. HUMPHREY. Mr. President, would the Senator withhold that suggestion for a moment?

Mr. LONG of Louisiana. I withhold it.

Mr. HUMPHREY. I merely wish to say to the Senator from Louisiana that I feel his urging that Senators be present to participate in the discussion or at least to listen to the presentation of those who are participating in it is well taken.

We are considering important legislation. There are differences of opinion.

As the Senator knows, the majority leader has made it quite clear that there will be no intention on the part of the majority leader or the leadership to attempt to deny adequate expression and discussion of the measure.

As I have indicated to the Senator from Louisiana, there are certain matters which he has expressed in his arguments which I believe are meritorious. The Senator can be assured that every effort will be made to cooperate in getting Senators to the Chamber to participate and to listen and to share in the deliberations on the bill.

We hope that the committee meetings, particularly the meetings of the Committee on Finance, may be able to proceed, because, as the Senator so well knows, vital legislation is being considered by that committee and because of the unusual amount of work that that committee had to take on this year.

The Senator has been very cooperative. The Committee on Finance met this morning. As the majority leader has indicated, the Senate can meet at noon, rather than earlier in the day, so that these committee meetings may take place.

Mr. LONG of Louisiana. The Committee on Finance is still meeting; and that was agreed to by those of us who are speaking in opposition to the proposed legislation now before the Senate.

Mr. DIRKSEN. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.



Mr. DIRKSEN. It ought to be said in behalf of the leadership that when we object to committees meeting, it is not a question of personal bias with the leaders. The requests for committees to meet come from the chairmen of the subcommittees who have summoned witnesses from afar, and their requests are proffered on the Senate floor. On important subjects, at least, when Senators ought to be here, I sometimes feel constrained to object. But the requests for the holding of committee meetings while the Senate is in session certainly do not come from the leadership.

Mr. LONG of Louisiana. The Senator understands the difficulty of those of us who are debating the measure on the Senate floor in finding Senators to at least hear and consider the debate.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BURDICK in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### THE FINANCIAL SITUATION OF THE UNITED NATIONS

Mr. AIKEN. Mr. President, I desire to make a statement relative to the financing of the United Nations. My statement will take more than 3 minutes. I ask unanimous consent that I may have as much time as may be required for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AIKEN. Mr. President, it has been some weeks now since I discussed the financial situation of the United Nations and since the Senate authorized the President to loan \$100 million to the United Nations.

I return to the subject at this time because the United Nations bond issue will come before the House of Representatives in the months ahead, and the International Court of Justice may be expected before its summer recess to render an advisory opinion on whether assessments for the peace and security functions of the United Nations are binding assessments under the terms of the United Nations Charter.

There are other reasons why the financial status of the United Nations may again be newsworthy. For one thing, it is possible that the July 1 independence date for Ruanda-Urundi may lead to situations there which would require a United Nations presence—perhaps with military forces—if a semblance of peace and security is to be maintained.

A second reason for concern at this time is that purchases of bonds have been lagging.

When the Senate considered S. 2768 in late March, we were supplied with lists of states that had pledged to purchase United Nations bonds. As of March 26, 3 nations had actually purchased bonds, aggregating \$5,780,000 in face amount—Denmark, Finland, and

Norway; 19 nations had made "specific pledges to buy"—aggregate amount of pledges, \$43,285,000; 11 nations had informed the State Department "confidentially" that they would buy bonds in the aggregate of \$3,669,354; 19 nations were in favor of buying bonds, but had made no pledges; and 19 nations had the question "under active consideration," as they say.

In the light of this rather optimistic report I would have expected that some of the pledges to buy would have been fulfilled; but as of April 30, Denmark, Finland, and Norway were still the only states that had put up the money. As of May 28, 8 states had purchased \$20,870,000 worth of bonds; 26 states had pledged \$44,576,175; 26 nations had stated they were in favor of buying bonds, but had not announced their purchases; and an additional 28 nations have the subject "under consideration."

I ask unanimous consent that the May 28 statement be inserted in the CONGRESSIONAL RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### U.N. BOND PURCHASES BY OTHER NATIONS

As of May 28, 1962, other nations have indicated these plans to purchase United Nations bonds:

Actual purchases:	
Denmark.....	\$2,500,000
Finland.....	1,480,000
Iceland.....	80,000
Israel.....	200,000
Italy.....	8,960,000
Norway.....	1,800,000
Sudan.....	50,000
Sweden.....	5,800,000
Total for 8 nations.....	20,870,000

Publicly announced pledges:	
Australia.....	4,000,000
Austria.....	900,000
Burma.....	100,000
Cambodia.....	5,000
Canada.....	\$6,240,000
Ceylon.....	25,000
China.....	500,000
Cyprus.....	26,175
Ethiopia.....	200,000
Germany.....	10,000,000
India.....	2,000,000
Iran.....	500,000
Ireland.....	300,000
Jordan.....	25,000
Liberia.....	200,000
Malaya.....	340,000
Netherlands.....	2,020,000
New Zealand.....	1,000,000
Nigeria.....	1,000,000
Pakistan.....	500,000
Sierra Leone.....	10,000
Switzerland.....	1,900,000
Tunisia.....	475,000
United Kingdom.....	12,000,000
Venezuela.....	300,000
Vietnam.....	10,000
Total for 26 nations.....	44,576,175

Total of announced purchases and pledges for 34 nations.....	
	65,446,175
In favor, but amounts not announced, 26 nations.....	
Under consideration, 28 nations.....	
Do not plan to subscribe at present, 9 nations.....	

Mr. AIKEN. I have no doubt, Mr. President, that the position which I took

during Senate consideration of the United Nations bond issue earned some disfavor for me in certain United Nations circles. But I think my colleagues here and my friends in the executive branch realized that my objections to the bond proposal boiled down to two principal criticisms: First, that the proposal was a shorttime inadequate remedy for a longtime serious problem; and, second, that the solution of the United Nations financial difficulties can be found only when nations which vote for peace and security measures are willing to back their votes with their contributions—taken as those may be.

Be that as it may, I am seriously concerned that means be found whereby the United Nations, without becoming unduly obligated to one member state, may develop a method of financing activities such as those taking place now in the Congo and the Middle East, and perhaps in the near future in Ruanda-Urundi. As certain as death and taxes will be the continuing need for the United Nations from time to time to support actions similar to those in the Congo and the Middle East.

It may be that the solution is as simple as an increase in annual assessments for United Nations operations—thus recognizing that peacekeeping functions are the responsibility of members exercising their franchise when they vote in the United Nations. It may be that the solution is to be found in some rearrangement of assessments, imposing special burdens on larger states. But I would support that type of solution only if it were associated with some system of weighted voting.

Political responsibility is not completely divorceable from financial responsibility. I suppose the ideal method for acquiring a reliable source of revenue for the United Nations would be to tap some unexpected or unusual international source, such as an export tax on minerals found in the Antarctic, should that day ever come, or some equally exotic revenue source. Waiting for a miracle, however, would be a rather hazardous solution.

Whatever the ultimate source of revenue enabling the United Nations to meet peace and security expenses, I am reasonably confident that the purchase of United Nations bonds by member states does not give much hope, at this time, of a reasonable, short-term solution to the problem, and it is completely impossible as a long-term method of meeting recurrent expenses.

In an effort to spur the administration to action which might provide both a short-term and a long-term solution to its financial problem, I wrote Secretary of the Treasury Douglas Dillon on May 10; and I ask unanimous consent that the letter appear at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 10, 1962.

HON. DOUGLAS DILLON,  
Secretary of the Treasury,  
Washington D.C.

DEAR MR. SECRETARY: You will recall during hearings on the IMF bill I asked you whether consideration had been given to

utilization of World Bank reserves to assist the United Nations meet its financial difficulties. At that time you stated "the United Nations has not approached the World Bank on this." You also stated, in reference to the some \$600 million of World Bank reserves—which you characterized as "a rather large reserve"—that the executive board of the Bank is "beginning to give some thought as to just what to do about it."

There is little doubt but that the U.N. is in serious financial straits. As of April 30 only three states had actually purchased bonds. It is unlikely that any final action on the President's proposal will be taken by the Congress until late summer, and I personally have some doubt that such action will be favorable.

Under these circumstances, I urge that the executive branch give serious consideration to the feasibility of urging the World Bank to utilize some of its admittedly large reserves for the purpose of financially assisting the United Nations. I urge also that the executive explore the possibility of a declaration of dividends by some technique which might make those dividends available to the United Nations for its peace and security functions.

I realize that a short answer to the feasibility of these suggestions may be that the Bank charter does not authorize action of this kind. My point is, however, that appropriate changes in the basic authority of the Bank might be sought.

The World Bank is the one international institution which has shown a very substantial profit on its operations. Continuation of its profitable development lending activities depends upon the maintenance of relatively peaceful conditions throughout the world. In short, if the U.N. peace effort fails, the Bank will fail. I believe the members of the Bank realize this. I can see no valid reason why the members of the Bank should not be willing at least to invest in the U.N., but perhaps to go even further and dedicate the excess profits of the Bank to the maintenance of international peace-keeping machinery.

I urge that you have this concept seriously studied to determine its feasibility.

I am taking the liberty of sending a copy of this letter to the Secretary of State.

Sincerely yours,

GEORGE D. AIKEN.

Mr. AIKEN. The most relevant paragraph from my letter to Secretary Dillon reads as follows:

The World Bank is the one international institution which has shown a very substantial profit on its operations. Continuation of its profitable development lending activities depends upon the maintenance of relatively peaceful conditions throughout the world. In short, if the U.N. peace effort fails, the Bank will fail. I believe the members of the Bank realize this. I can see no valid reason why the members of the Bank should not be willing at least to invest in the U.N., but perhaps to go even further and dedicate the excess profits of the Bank to the maintenance of international peacekeeping machinery.

I urged the Secretary of the Treasury to give serious study to the possibility of utilizing Bank resources to assist the United Nations.

I have now received from Secretary Dillon a reply dated May 31, 1962; and, as I suspected would be the case, it fails to meet the basic issue. I ask that Secretary Dillon's letter be inserted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF  
THE TREASURY,  
Washington, May 31, 1962.

The Honorable GEORGE D. AIKEN,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR AIKEN: I am responding to your letter of May 10, 1962, concerning World Bank purchases of United Nations bonds, a subject we touched on in the course of hearings before the Foreign Relations Committee on March 30, 1962.

I would like to begin by observing that the most effective action in relations to United Nations bonds that could be taken at this point would be prompt passage of appropriate legislation by the Congress. The full support of the United States is essential to the overall success of this financial program for the United Nations.

As you are aware, like most financial institutions, the reserves of the World Bank are held in relatively liquid form. Apart from its loan portfolio, most of the Bank's investible assets are invested at short term (1 year or less), pending disbursement to borrowers on loans already granted. The average yield on the Bank's invested assets is in excess of 3 percent. On the other hand, the investments which the Bank has made in loans have been for the purpose of reconstruction of Western Europe after the war and then for the purpose of development of less developed countries. An investment in U.N. bonds would fit into neither of these categories, and I believe that the World Bank should continue to concentrate all of its resources in lending for development. It has been one of the real pioneers in this field and I do not think its resources should be diverted to other uses, even though those uses may be very important.

Furthermore, any amendment of the Bank's articles would be a major, time-consuming negotiation with the full membership and would require legislative action by the Congress before the United States could accept the change. It is doubtful that, even if desirable, such a change could be effected in time to meet the pressing needs the U.N. now faces.

I appreciate your concern with the problem of financing the United Nations. In my view, it is a problem that must be faced squarely by the member nations themselves and, as I have said, our own national response is of critical importance.

Sincerely yours,

DOUGLAS DILLON.

Mr. AIKEN. Before commenting on the Secretary's letter, however, I should like briefly to review some of the Bank's history.

We should recall, in the first place, that the International Bank for Reconstruction and Development, which came into being in December of 1945, was created to assist member states in reconstruction and development, by facilitating the investment of capital for productive purposes. While at the time of its creation the Bank was primarily concerned with the restoration of economies disrupted or destroyed by the war, it was contemplated that the Bank should encourage the development of productive facilities in less developed countries.

The Bank, with an authorized capital stock of \$10 billion, has been singularly successful in its operations. With the capital stock serving investors as a guaranty against loss, the Bank has

raised funds for relending by issuing its own bonds to private investors.

It has been able over a good many years to sell its own bonds at 4 to 4.5 percent; and, with the funds realized by such sales, the Bank has, in turn, loaned to governments and private borrowers at rates ranging from 5 percent upward. And since these loans have been guaranteed by governments, the Bank's losses have been minimal.

As a consequence of careful and prudent management and as a consequence of relative peace and stability over the past 17 years, the World Bank has turned out to be a pretty good, profit-making institution. In fact, the Bank now has reserves of well over \$600 million—reserves which Secretary Dillon described as "a rather large reserve." In fact, I think that at this time the reserve is about \$700 million.

When the Secretary was asked during recent hearings whether the \$600 million would be used to pay dividends to member states, he said that such was not their intention "so far", but that "they might". He added that "there is pressure from borrowing countries for them—the Bank—to reduce the rate of interest they charge."

What can the Bank do with this special reserve of nearly \$700 million? Under the terms of section 6 of article IV of the Articles of Agreement, "the special reserve shall be held in such liquid form, permitted under this agreement, as the executive directors may decide."

And what may the directors decide? According to section 8, the directors by a three-fourths majority of the total voting power may buy and sell such securities as they "may deem proper for the investment of all or part of the special reserve under section 6."

The directors of the Bank have been very astute in handling the more than \$600 million reserve which is getting pretty large to manage.

They have not salted this sum away in cash in a sock. Rather, in the words of Secretary Dillon, these reserves "are essentially all invested in U.S. Government obligations."

And of course holding these reserves in the form of U.S. Government bonds means that they draw interest at a rate in the neighborhood of 3 percent. If my arithmetic is correct, that means that the United States is paying over \$18 million in interest each year to the World Bank.

I return now to Mr. Dillon's letter in which he makes three points:

First, he writes that "the most effective action in relation to United Nations bonds that could be taken at this point would be prompt passage of appropriate legislation by the Congress."

With this I agree. It would be the easiest way to sidestep our responsibilities. What the Secretary fails to observe, however, is that such action is not likely to be "prompt," and it is by no means certain.

I suggest that what is needed now is a little planning ahead.

The second point made by Secretary Dillon, as I understand it, is that the



Bank's "investible assets" are invested at short term and that it makes in "excess of 3 percent" on these short-term investments "pending disbursement to borrowers on loans already granted."

I must say in all candor that this statement is misleading as it implies that whatever reserves the Bank holds are held—quoting Mr. Dillon—"pending disbursement to borrowers."

It is my understanding that the "special reserve" about which I wrote Mr. Dillon and which exceeds \$600 million in amount is held solely for the purpose of meeting the liabilities of the Bank which might arise in the case of defaults.

Whoever drafted the Dillon letter should go back to the Articles of Agreement and read sections 6 and 7 of article IV.

I suspect that the Secretary's main concern is that the Bank can get over 3 percent if left free to put its "investible assets" in practically anything except United Nations bonds, which would bring only 2 percent.

The final point in Mr. Dillon's letter is valid, but I believe shortsighted.

He suggests that either the purchase of U.N. bonds or a declaration of dividends, dedicated to contribution to peace and security functions, would require amendment of the Bank's articles and this would be a "major, time-consuming negotiation" which could not "be effected in time to meet the pressing needs the U.N. now faces."

I suggest, Mr. President, that this conclusion follows only if we view the articles of the Bank and the U.N. bond resolutions as straitjackets within which rational men and nations must live.

There is no reason why the General Assembly cannot alter its approach to obtaining financial relief by authorizing short-term borrowings from the Bank, thus providing the degree of "liquidity" required by the Bank.

After all, the General Assembly has had no problem in the past in authorizing the Secretary General to tap other U.N. funds—including the Children's Fund—for necessary expenses.

Furthermore, there is no reason now why members of the Bank should not try to look ahead and determine anew whether some of its liquid special reserve resources might not be diverted to a purpose at least as basic as "lending for development."

It is conceivable to me that, even though Secretary Dillon writes that the Bank has "been one of the real pioneers" in the field of lending for development, member states might feel that resources now being generated by the Bank ought in limited amount to be put to uses that seek to maintain the very conditions essential to continued lending for development.

Mr. President, I believe the facts I have presented suggest that the U.S. Government should explore most carefully the feasibility of urging the World Bank to give the United Nations financial assistance by the purchase of United Nations bonds.

Furthermore, I believe the earning capacity of the Bank is such that consideration should be given to dedication of a portion of the Bank's earnings to support of the peace and security functions of the United Nations, insofar as those functions are a financial cost to members of the Bank.

It seems incontestable to me that the earnings of the Bank are directly related to stability—to the relative freedom of war which we have enjoyed over the past decade and one-half.

If the Middle East, or the Congo, had burst into flames, the World Bank would have fallen along with the rest of our postwar international structure.

It is for this basic reason, Mr. President, that I believe states members of the Bank—and the Bank itself insofar as it can be said to have a personality separate from its members—should give serious consideration to the direct stake which the Bank has in maintaining peace in such areas as the Congo and the Middle East.

The Bank is an instrument created by some 70 states for the purpose of reconstruction and development; but reconstruction and development are directly related to the maintenance of conditions of peace in which such activities can take place.

The Bank exists to serve the international community of states which are members of the Bank.

And that international community of states comprises about three-fourths of the total membership of the United Nations, and by no stretch of my imagination can the Bank and its earnings be divorced from the interests of the rest of the international community.

If states members of the Bank see the peace and security of the international community threatened by war, and if they see the major peacekeeping instrument—the United Nations—unable to act because of financial difficulties, I see no reason why limited resources of the Bank not in demand for other purposes should not be utilized for U.N. purposes.

There are some who will say that the Bank's special reserve should not be impaired, and I agree that it should not be impaired in any degree that might upset confidence in the Bank.

But I do not believe that is the case at present.

Others will argue that states members of the Bank could resolve the financial crisis of the United Nations by payment of their arrangements to the United Nations funds.

That may be true, but the fact is they have not done so, and the financial crisis remains.

Finally, I suppose the argument will be made that the Bank should not be asked to invest money or assume burdens for the United Nations whose membership is much broader than the Bank, because the few would be paying the expenses of the many.

Certainly I would not advocate utilizing Bank resources to pay the debts of nonmembers.

At the same time, if the Bank is able to help ameliorate the financial prob-

lems of the United Nations, either by the purchase of bonds or by declaration of dividends to member states who in turn would utilize those dividends for their payments to the peace and security accounts, I should think the demands for membership in the Bank might go up.

Nothing would please me more than to see the Soviet bloc begin to show an interest in a profitmaking institution like the Bank.

In conclusion, Mr. President, let me express the hope that the administration, despite the difficulties always associated with putting a national or international bureaucracy on a new course, will carefully explore the ideas I have set forth today.

I do not want a banker's answer to these suggestions, I want an answer couched in the framework of the total national interest.

Mr. President, when it is said that an international organization cannot maintain financial stability, those making the statement overlook the fact that some of the affiliated organizations of the United Nations have a remarkable record of financial stability and collection of assessments.

I wish to include in the RECORD at this point the report of the World Health Organization which was issued under date of May 10, 1962. If the United Nations itself would only take a leaf from the financial operations of the World Health Organization, it would be found that it could keep its own financial house in order.

I ask unanimous consent that this very excellent and complete report of the World Health Organization, showing that about 96 or 98 percent of the assessments were paid at the time the report was made, be printed at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. BURDICK in the chair). Is there objection?

There being no objection, the report was ordered to be printed in the RECORD, as follows:

#### REVIEW OF THE FINANCIAL POSITION OF THE WORLD HEALTH ORGANIZATION

(Statement by Mr. Milton P. Siegel, Assistant Director-General, May 10, 1962)

Mr. Chairman, each year this committee reviews the financial position of the Organization including the financial report which is a supplement to the annual report of the Director-General. This year, because the Assembly met too early in 1961 to consider the report for 1960, the committee has before it that report in addition to the one for last year. These reports—the annual report of the Director-General on his stewardship of the financial affairs and resources of the Organization—record in financial terms events of the past years; on the basis of this history, we are able annually to review, examine and interpret the development of the work of the Organization.

As in many past years, I am pleased to be able to report to you on behalf of the Director-General that the financial position of the Organization is sound. The collection of contributions as at December 31, 1961, was 93.90 percent of the total assessments on active members. While this was slightly less than the corresponding percentages for 1959 and 1960—which were 95.59 and 96.08 percent, respectively—it resulted from a delay

in making payment, caused by parliamentary procedures, encountered by one of the larger contributors; the payment in question was received early in January 1962. Since January 1, further contributions have been received and details will be reported to the committee when it deals with agenda item 3.9.3 "Status of collection of annual contributions and of advances to the working capital fund."

Briefly, payments amounting to \$752,736 relating to arrears of 1961 and prior years were received during the period January 1 to April 30, 1962. Payments of contributions relating to the 1962 budget received during the same period were 23.92 percent of the total contributions. The corresponding percentage for 1961 was 20.40. It is noteworthy that, at April 30, 1962, only one member was in arrears for an amount which equaled or exceeded the contributions for the preceding full 2 years, and this member has made proposals for settlement of its arrears which the executive board is recommending the Assembly accept.

When the committee deals with agenda item 3.9.2, "Financial report on accounts for 1961—Report of the external auditor," and the comments thereon of the ad hoc committee of the executive board, it will be interested in the information on budget performance for 1961. In summary, \$19,201,885 or 97.08 percent of the effective working budget was utilized, leaving an unused budget balance of \$578,563. As only 93.90 percent of the contributions for 1961 was collected, there was a cash deficit of \$468,294 which has been more than covered by contributions received since January 1.

Obligations in 1961 from other sources of funds available were: From the expanded program of technical assistance, \$5,596,331; from the malaria eradication special account, \$3,777,891; from the subaccounts of the voluntary fund for health promotion, \$859,576. There was \$65,569 obligated for a project financed from the U.N. special fund, and \$35,406 from the revolving sales fund; \$2,778,398 was obligated for the emergency health program in the Congo, against reimbursement by the United Nations.

In total, therefore, the World Health Organization in 1961 carried out activities for which it obligated \$31,815,056 from the various sources of funds not including the building fund. It may be of interest to mention that administrative services costs in that year were \$1,892,333 or 5.94 percent of the total.

The Director-General is reporting under the relevant agenda items on the casual income for 1961, including the status of the Assembly suspense account as of April 30, 1962. The committee will note that after taking account of the amount of \$500,000 proposed by the Director-General and recommended by the executive board to be used to help finance the 1963 budget estimates, there is a sufficient amount available to finance the supplementary estimates proposed for 1962 by the Director-General. These estimates, recommended by the executive board for approval by this Assembly, were subject to adjustments to be reported by the Director-General to the ad hoc committee of the executive board which met immediately prior to the opening of the 15th World Health Assembly. As will be seen from its report, the ad hoc committee has recommended that this Assembly approve the supplementary estimates, as adjusted, and that they be financed entirely from casual income available for the purpose. I am sure that the delegates will be pleased that this will avoid the necessity of making additional assessments on members for the financing of the supplementary estimates for 1962.

To turn from the financial to the human resources of the Organization, the recruitment of sufficient trained staff, particularly

for field assignments, still continues to be a great task as increasing demands are being received from newly independent or emerging countries for assistance in developing their health services. However, through the improvement of recruitment methods and selection techniques, there are indications that more candidates are becoming available in some fields, although in some specialties there continues to be a dearth of candidates available. Efforts have also been made to meet the short supply of some categories by internal training arrangements within WHO itself which have met with a large measure of success. The secondment of staff from national services to WHO still remains an important need and the increasing demand for staff should be partially met through the help of member governments who are able to make some of their trained staff available to WHO.

The supply services of the Organization are used from time to time by a number of member states to make reimbursable purchases on their behalf of a wide variety of medical supplies and equipment, particularly in periods of health emergencies such as epidemics, etc. This service was recently extended to the League of Red Cross Societies at its request to help in the serious flood disaster in Somalia late in 1961. Within a few days of the request, vaccine, drugs, and medicaments purchased by WHO on behalf of the league were being delivered by air to Somalia, thereby aiding the work of staff provided by WHO and the Red Cross to assist in meeting the emergency needs.

Since the last Assembly, progress can be reported with regard to construction of the headquarters building. The committee will have the details of these developments when it considers the report on headquarters accommodation under agenda item 3.11. Despite the untimely death of the architect, Mr. J. Tschumi, last January, the work has proceeded; on March 3 the standing committee on headquarters accommodation approved the Director-General's appointment of Mr. Pierre Bonnard to succeed Mr. Tschumi.

An important aspect of the orderly growth of our Organization relates to regional office accommodation. As members of the committee know, the western Pacific regional office has for some 4 years occupied its own beautiful and modern building which continues to be adequate. In Alexandria, an additional floor has recently been added, at WHO expense, to the existing regional office building and for the time being accommodation is adequate. In Washington, construction will start soon on a new building to house the PASB which serves as the regional office for the Americas. The Government of Denmark is now considering plans for an addition to the premises occupied by the regional office for Europe in order to provide adequate space for the needs of that office. On April 10, 1962, the Government of France transferred to WHO title to the present Africa regional office building and grounds and plans are going forward for the extension of the buildings to meet the greatly expanded needs of that office. The committee will be dealing with the budgetary aspects of this extension. In New Delhi, the new office building which members of the committee saw under construction last year is nearly completed. Its occupancy, however, is presently delayed by a lack of authorization of sufficient electrical power to operate the lighting and mechanical equipment installed in the building. This matter is causing us some concern and is now under negotiation with the representatives of the Government of India.

As in previous years, management surveys have continued to be a useful tool for the improvement of the administration of the Organization. The work of the management staff has been divided between as-

signments in headquarters and in the regions. There have been a number of brief management surveys of area offices in various parts of the world; these surveys had the dual purpose of improving the administration of the individual offices, and of providing material for the consideration of the role and function of area representation in general.

The rapid increase in the membership of the Organization—between 20 and 25 percent since this Assembly last met in Geneva—brings to the Organization new opportunities as well as new responsibilities. As we have welcomed these new members, many of them newly independent, we should reflect soberly on the tasks ahead of the Organization; as we go about our work in this committee and in the other parts of the Health Assembly, we must bear constantly in mind the significance of our work for the future health and well-being of the world.

The emergence of the newly independent states has added new dimensions to the need for health to lead the way in international action for economic and social development. Their joining the international community is sometimes accompanied by emergency situations in health which have to be met without delay. There are also cases when they need a new type of assistance, and when relatively modest additional help provided by the Organization can give considerable impetus to their efforts in the field of health. As all members of the committee are only too well aware, the health needs of the world are very large, and they are particularly great in the newly independent states, so many of them in Africa.

In February last year, I mentioned to this committee the developments which might be foreseen for the decade of the 1960's, calling attention to the fact that the international organizations that make up the United Nations family were being assigned increasing responsibilities for providing assistance to the developing countries and suggesting that this recognition of the role of the organizations would continue to increase. Events since that time bear out the prediction.

The United Nations Development Decade with its objective of adopting "measures to accelerate the elimination of illiteracy, hunger and disease which seriously affect the productivity of the people of the less-developed countries," is an expression of the necessity for the world community to support the aspirations of the newly independent and other developing countries. This committee can but appreciate, as did the executive board, the decision of the United Nations General Assembly on the decade, reflecting as it does the direct relationship between economic, social and health factors in the development of the economically less-developed countries. The decisions of earlier Assemblies and of the board on this interrelationship reflect a clear understanding on the part of the legislative and executive bodies of the Organization that economic growth is generated not only by money, materials and machinery but by human beings. Solid and lasting results can be obtained only from the interaction resulting from bringing together healthy people and material resources.

Fortunately, the World Health Organization faces its increasing responsibilities girded with the experience gained during the nearly 14 years since it came into being. What was in 1948 a blueprint, wisely enunciated by the founders of the Organization, has become a living entity. The World Health Assembly has, over the years, taken wise decisions which have strengthened the technical cooperation provided by the Organization. As these decisions have been translated into action, the Organization has gradually extended its coordinating activities to cover the entire health field. For today, at the country level, WHO assists



countries to coordinate all external resources made available to them for the development of their health services. At the regional level, an effective regional partnership of nations fights diseases as a common enemy which displays no respect for their political boundaries. At the world level, WHO increasingly brings a significant contribution to the international coordination of medical research in cancer, cardiovascular and other important health problems while, at the same time, promoting an international collaborative effort in biological standardization, health statistics and epidemiological intelligence.

And these decisions and the debates which preceded them have been remarkably free of extraneous political considerations, as they should be, since the experience of time has demonstrated that the proper forum for political debates is the General Assembly of the United Nations. Indeed, we recognize the importance to WHO that the United Nations continue to serve and to gain strength as the political organization in the United Nations family, for its existence makes it possible for WHO, unhampered by political problems, to get on with its own job—the attainment of all peoples of the highest possible level of health.

Organizations reflect the characteristics and qualities of their functions and their memberships; some present their current concepts of truth dogmatically and without qualification. But those devoted to furthering science and its application present, as they must, a public image that is the prototype of the scientist whose statements are weighed and qualified, who speaks with modesty and, above all, within the boundaries of his competence. We all know the dangers of the fallacy that experts in one area are necessarily experts in another.

Recently, indications have emerged or suggestions have been put forward that it might be desirable to substitute direction for coordination in the relationships between the United Nations and the specialized agencies, for fear of imbalance or fragmentation of programs. We in WHO have in the past, as now, developed our forward thinking and planning as an organization which is truly international and not supranational. We have always kept in mind that we are an international organization established by governments as the contracting parties which agreed to the WHO constitution, which includes in its preamble a set of principles followed by this statement: "Accepting these principles and for the purpose of cooperation among themselves and with others to promote and protect the health of all peoples."

The executive board, in its organizational study on coordination which is being submitted to this health assembly, in respect of the word "fragmentation" used early in the report of the ECOSOC committee on program appraisals, commented: "If the word is intended to suggest that there was once, even as an idea, a whole, which was broken up by a loose organization of the United Nations family, it could be misleading and would not reflect the historical development. There are separate agencies because there are and have been separate sciences, separate disciplines, and separate—sometimes incompatible—needs of man. Scientific method does not begin with a central fundamental principle: it works upward from observed detail through widening hypothesis, testing at each stage."

The World Health Organization has from its early days dwelt on the importance to each country of a balanced and integrated health plan; and these health plans must, of course, be brought into the appropriate relationship with the governments' plans in other social and economic sectors, to build up a total plan for development. But sound plans must be made step by step and sector by sector to form the adequate whole—to do otherwise would be like trying to build an

edifice from the roof down—an engineering impossibility. I believe that we must go forward into the future undeterred by any fear of potential imbalance among the parts making up the whole. We must not allow fear to prevent progress. The only way we have to judge the future is by the past, and judging by the past, this Organization should continue to grow in strength and capacity to promote the health and well-being of mankind. We must keep our course firmly set towards that far horizon on which is the promise that the principles enunciated in the constitution will all be realized.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield to the Senator from Minnesota.

Mr. HUMPHREY. First of all, I commend the Senator from Vermont, and also, if he will permit me, I associate myself with his general thought and theme that we make an intensive study and research as to how the peacekeeping operations of the U.N. can be financed. His suggestions relating to the International Bank are worthy of more than a banker's evaluation, as the Senator has put it, which would be strictly that of a financial point of view; they are also worthy of a policy determination by the Government of the United States and other governments.

It was my privilege some 2 or 3 weeks ago to visit briefly with the present Acting Secretary General of the United Nations, U Thant. I was accompanied by our Ambassador, Mr. Stevenson.

During that visit I emphasized the importance which the Senate of the United States placed upon a more orderly and established procedure for the financing of United Nations activities than we have observed to date. I pointed out that the debate and discussion in the Senate, in the Committee on Foreign Relations, and by the public generally did not represent merely an outburst of momentary concern over the United Nations and its policies but, more importantly, was directed toward trying to systematize, to institutionalize, and to formalize the financial procedures and arrangements of the United Nations.

I tried to point out that we in the Senate in particular did not wish to see the United Nations weakened. I pointed out we wished to see the United Nations do its job, but not on the basis of a constant emergency or crisis financial arrangement.

I urged upon the Secretary General that, if there were a desire for continuing cooperative and constructive relationships with the Congress of the United States, it would be highly desirable to establish some sort of finance minister or ministry for the United Nations to get at the problem of financing, particularly of the peacekeeping operations.

I, for one, wish to say I believe the Senator from Vermont during all the weeks and months of discussion we have had of the U.N. bond issue really has been attempting to get at the problem not so much of the bond issue as such but the problem as to how to best finance United Nations operations on a regularized, formalized, equitable basis.

It seems to me than any constructive suggestion made is worthy of intensive

study and objective analysis and, I hope, some action. Therefore, I wish to associate myself in general with what the Senator from Vermont is attempting to do.

Mr. AIKEN. Mr. President, I appreciate very sincerely the remarks of the Senator from Minnesota.

I have contended ever since the beginning of the year that it is possible for the United Nations to continue for an indefinite period into the future as a peacekeeping organization. Unless the members of United Nations realize there are responsibilities connected with its authority and seek to maintain fiscal responsibility as well as the responsibility of ethics, it will be impossible for the United Nations to continue as the principal peacekeeping organization of the world.

I should like to see the United Nations succeed. I believe it has to be strengthened.

An international organization, as I have tried to point out, does not have to be fiscally irresponsible. If Senators will read the report of the World Health Organization, an organization which I believe antedates the United Nations, they will see that this organization, at least, is maintaining fiscal responsibility.

The World Bank not only has maintained fiscal responsibility but also has accumulated a surplus of \$700 million. The World Bank, as I have pointed out, could not continue if general war should break out throughout the world. It seems to me perfectly proper that the World Bank directors and members should consider the contribution of at least a part of their excess earnings toward maintaining the peacekeeping machinery of the United Nations. That is the purpose of the talk I have given today.

#### AUTHORITY FOR PERMANENT SUBCOMMITTEE ON INVESTIGATIONS TO MEET DURING SENATE SESSION UNTIL 4 P.M.

Mr. HUMPHREY. Mr. President, I believe the Senator from Arkansas [Mr. McCLELLAN] has a request he wishes to renew.

Mr. McCLELLAN. I thank the distinguished acting majority leader.

Mr. President, the Permanent Subcommittee on Investigations of the Committee on Government Operations of the Senate is in the process of conducting a series of public hearings. Of course, it is necessary to prepare for the hearings in advance. In this instance, as is true in many other instances, some of the witnesses come from great distances and at Government expense.

I understand a unanimous-consent request was made earlier for the subcommittee to meet this afternoon, and there was objection to the request.

I have conferred with Senators who interposed objection at that time and explained to them the situation. They have graciously consented to interpose no objection if I ask unanimous consent that the Permanent Subcommittee on Investigations be permitted to meet during the session of the Senate today

until 4 o'clock this afternoon. I make that unanimous-consent request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas? The Chair hears none, and it is so ordered.

#### HIGHER EDUCATION FOR YOUNG VETERANS ESSENTIAL—GI BILL IS THE ANSWER

Mr. YARBOROUGH. Mr. President, no single field of legislation is more important to the future of this country than that of education. Despite the fact that this is generally recognized, a vast segment of our youth is faced with the prospect of inability to acquire a higher education, because of the growing cost of college training. This neglected segment of our population is made up of the cold war veterans.

The GI bills of World War II and the Korean conflict have provided our country with young leaders in virtually every vocational field. It is absolutely essential that we continue to provide the GI bill for the education of those who served in our military forces since the Korean conflict ended. A recent statement by a Veterans' Administration official shows that up to the end of the calendar year 1961, more than 1,200,000 Korean conflict veterans have gone to college under the GI bill. Some 45,000 of these veterans studied science; 53,000 were trained in medical and related professions; 163,000 studied some kind of engineering; and 139,000 were trained to teach.

At a time when national survival depends on technical skills, when the importance of medical research is clearer to us than ever before, when school enrollments are faced with tremendous increases, and when the need for teachers increases in direct proportion, this nation must act to fill the need for leaders in these fields.

As author of a GI bill, cosponsored by 36 other Senators, to help young cold war veterans break through the financial and draft-law barricades of high cost and delay in education, I urge support for passage of Senate bill 349, so that our veterans of today may get back into school and may make themselves more valuable to their families and to their country.

Mr. President, there are 5 million of these veterans of the cold war, but they constitute only 45 percent of our young men. The other 55 percent have not served at all. But this 45 percent served more than 2 years apiece; and the action of the Government in calling them to service has put them more than 2 years behind in obtaining the education which they must have. It is only just that the 45 percent who perform military service today shall be able to get the education they need.

I ask unanimous consent to have printed in the RECORD an article from the Bonham, Tex., Daily Favorite of Thursday, June 14, 1962. Bonham is the hometown of the late beloved Speaker of the House of Representatives, Sam Rayburn.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### KOREAN VETERANS CHOOSE BUSINESS COURSE IN SCHOOLS

Korean conflict veterans who have thus far taken advantage of the college education benefits under the GI bill have made business administration, engineering and teaching their top classroom choices.

Up to the end of calendar year 1961, more than 1,200,000 Korean conflict veterans have gone to college under the GI program, Edward P. Onstot, manager of the Veterans' Administration regional office in Dallas, said.

Almost an equal number, 1,172,000, have taken other types of training in schools below college level or on-the-job training classes or on-the-farm courses.

Of those students who went to college, 201,000 chose business administration, 163,000 selected engineering and 139,000 picked teaching as their course of study.

First choice of the GI engineering students was electrical engineering, followed by mechanical and then civil engineering.

The majority of those who prepared for teaching careers entered general education but several thousand have picked specialized fields such as industrial arts and physical education, Onstot said.

Other vocational goals attracting large numbers of Korean conflict veterans turned college students have been medicine and related professions with 53,000; science with 45,000; law with 44,000; business courses such as accounting and advertising with 42,000; social sciences with 40,000 and the ministry with 13,000.

In reality, Onstot added, these veterans have been studying for almost every conceivable type of career at college. On the rolls have been agronomists and zoologists; architects and dietitians; newspaper reporters and mathematicians; librarians and law enforcement officials and many others.

However, all veterans whether in college or still to begin their classes have less than 3 years to take advantage of the Korean GI bill.

The law requires that all education and training of nondisabled Korean veterans must be completed by January 31, 1965.

Veterans planning to enter classrooms should not delay and those already in class should prepare to accelerate their courses if need be to avoid being cut off by the deadline date before they have reached their intended goals, Onstot emphasized.

#### THE STRASBOURG CONFERENCE AND THE FUTURE

Mr. CASE of South Dakota. Mr. President, the Washington Evening Star of yesterday, June 19, published an interesting article entitled "Strasbourg Looks to Great Future," written by Constantine Brown. The article relates to the emerging of a united Western Europe and the parliament which is developing at Strasbourg. I ask unanimous consent that the article may be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### STRASBOURG LOOKS TO GREAT FUTURE—PARLIAMENT OF EUROPE'S STATESMEN CONFIDENT UNITY IS DRAWING NEAR

(By Constantine Brown)

STRASBOURG, FRANCE.—This ancient capital of Alsace, which changed hands during the wars between France and Germany, is looking forward to a great future. It expects to become the capital of a United Western Europe.

Far-seeing real estate operators already are engaged in purchasing acres of farmlands within miles of the center of Strasbourg. They speculate that when this sleepy medieval city of less than 400,000 becomes the "Washington of Europe" its population will increase fourfold.

The Inter-European Parliament—a token assembly of members from some 15 countries—has been functioning here for more than a decade. It has been ineffectual, because the resolutions it passes with great ceremony after long and learned debate are platonic. All the same, important figures in European politics attend the sessions.

Strasbourg has become indeed the meeting place of Europe's statesmen. As an indication of its importance, many consuls general are of ambassadorial rank. In the lounges and dining rooms of the near-modernistic building which houses this unique, and for the time being powerless, parliament, one can meet Europe's great and "will be great" personages. They will tell you that while the assemblage is now powerless, the debates and exchanges of views make more sense than those in the United Nations.

The representatives of both large and small countries have no doubt that the unity of Europe is a matter of months, despite the recent apparent difficulties. When asked what gives them this cocksureness, the answer is always the same: "Germany and France, which have been at drawn daggers since the French Revolution, have buried the hatchet."

It is strange to find political personalities here who regard NATO as a mere military coalition. As such it has not much substance, since all coalitions are the result of expediency in the face of a military threat. "The unity of Europe, however," says these men who at the NATO meeting use a different language, "is something different. It is dictated by common economic and political reasons rather than by military necessity."

"This has become very obvious," said one of the will-be-great Europeans, "from the grave frictions which have developed within the NATO between the United States and Germany and France and some of the lesser allies." And then he added, "I am not speaking of the quarrel between Washington and Paris over the nuclear monopoly which you insist must remain in the hands of the Russians, British, and yourselves. I am speaking about the change of attitude and the efforts you are making to placate the Russians—provided they want to be placated by you. I am speaking about the feeling which exists in most European chancelleries, which is seldom expressed publicly, that Washington in its anxiety to purchase Russia's good will is willing to overlook the interests of other members of the coalition."

"That is, of course, inevitable in any coalition with a wide range of varied interests. Western Europe has become more 'solid' than it was before the last war. It has also become ideologically more conservative than America and does not endorse your frantic efforts to offer terms to the Soviet Union."

When I contradicted this charge of appeasement, the answer was, "Your President himself stated recently in a public rebuke to Bonn that America, which bears the main burden of NATO, must decide what her best interests are. Your efforts are also evidenced by the negotiations which are taking place between your official and unofficial emissaries and those of the Kremlin. The Russians are shrewd. They are informing the Germans, as they did in the summer of 1939, about everything that is said to them in the utmost secrecy by you and the British negotiators."

"In all fairness, American diplomacy should not be blamed for having adopted the tactics used for hundreds of years by the Europeans; the tactics of doing what is best for your temporary interests. If this is so, our conviction is that you have learned



much, and this is one of the reasons why the creation of the United States of Europe—in either a confederation or federation—must become an accomplished fact in the near future."

#### SENATOR STENNIS A CREDIT TO THE SENATE

Mr. ENGLE. Mr. President, in recent weeks Senator JOHN E. STENNIS and his Preparedness Investigating Subcommittee have been involved in a highly touchy subject: the censorship of speeches by military personnel and the role of the military in cold war education. Under a lesser man such an investigation might have deteriorated into a jungle of nerves and name calling. But throughout the hearings, under circumstances that would try most men, Senator STENNIS maintained a gentle and kindly spirit and a fair and reasonable hand.

An article in the June 25 issue of Newsweek does a fine job of describing the skill and art that Senator STENNIS used in handling the contentious issue before his committee. I ask unanimous consent to append the following excerpts from the article, which I commend to the attention of my colleagues.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

[Excerpts from Newsweek, June 25, 1962]

#### TRIUMPH OF MODERATION

A senatorial investigation had died peacefully in its sleep. In sharp contrast to the bold headlines that celebrated its birth last January, the inquiry into the disconcerting charges of muzzling members of the military passed away all but unmourned in the presence of a handful of reporters in a small chamber adjoining the offices of the Senate Armed Services Committee.

The cause of death, all agreed, was kindness—the unflinching, judicial, courtly kindness of JOHN CORNELIUS STENNIS, the junior Senator from Mississippi and the chairman of the investigating subcommittee. "Just use your imagination," said a committee staff member, contemplating the inquiry's limitless possibilities for sensationalism. "This could have produced name calling, character assassination, and probably full-scale investigation of both the Departments of Defense and State."

That it produced nothing of the sort represents a triumph of moderation.

STENNIS, who began his public career on the bench, started by briefing himself completely on the issues. With a committee colleague, GOP Senator LEVERETT SALTONSTALL, of Massachusetts, he traveled to Gettysburg to get the views of former President Eisenhower. He talked at great length with such respected military leaders as Adm. Arleigh Burke and Gen. Thomas D. White. Then, with all cameras—television and still—barred from the Senate caucus room, the parade of witnesses began. STENNIS and his fellow committee members heard them at inordinate length.

At General Walker's long-awaited appearance, the galleries packed with his right-wing admirers, STENNIS could not have been more courteous, more generous with the committee's time and patience.

And so, at this jurisprudential pace, the hearings moved out of the public consciousness and dragged on to the final dreary session.

It is not of such stuff that bold black newspaper headlines are fashioned, and nobody knows that better than Senator STENNIS. But it serves to illustrate force-

fully the Stennis method: "to hear all the points involved and let the witness make any point, be they facts or just arguments." Out of such cool and careful strategy, the Senator from Mississippi induced judicial calm in an atmosphere of passion.

"The committee," STENNIS explained last week, "was an arm of the Senate, and I believe in the Senate."

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

#### COMMERCIAL COMMUNICATIONS SATELLITE SYSTEM

Mr. HUMPHREY. Mr. President, I ask the Presiding Officer to lay before the Senate the unfinished business.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

Without objection, the Senate resumed the consideration of the bill (H.R. 11040) to provide for the establishment, ownership, operation, and regulation of a commercial communications satellite system, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Louisiana [Mr. LONG].

#### REPLY TO CRITICS OF SUSPENDING AID TO YUGOSLAVIA

Mr. PROXMIRE. Mr. President, a short time ago the Senate took action on the foreign aid authorization bill. In that connection the Senate adopted an amendment to prohibit aid, including the providing of surplus food assistance, to Communist nations or Marxist nations. Then the amendment was modified, so that its net effect was to prevent economic assistance to Yugoslavia.

The position taken by Senators who supported my amendment, which would have prohibited aid to Yugoslavia in the first place, has been vigorously attacked by a number of outstanding people and institutions. Perhaps the most effective, eloquent, and comprehensive statement of the position of those who oppose the position of the Senator from Wisconsin was stated by the distinguished assistant majority leader [Mr. HUMPHREY].

In addition, however, there have been some very emphatic statements by Mr. Kennan, our Ambassador to Yugoslavia, who called the attitude of Senators who had taken positions of opposition "appalling ignorance." In an editorial the New York Times stated that the Senate was guilty of "folly" for what it did. A great newspaper in my own State stated that Senators were merely showing how anti-Communist they were. Under Secretary of State Ball, in describing the action of Senators who opposed aid to those countries, called it a "no win policy."

Mr. President, I believe the very thorough and persuasive statement of the distinguished assistant majority leader should be answered. The statement went into considerable detail, and I expect to answer it point by point, seriatim. Before I do so, however, I wish to make clear that I have favored foreign aid in the past and I expect to do so in

the future. Our foreign aid program as a whole has been successful. There is no question that the Marshall plan was one of the most brilliant foreign policy successes this country has ever had. The Greek-Turkish aid program probably saved a very important section of Europe from Communist domination. In more recent years, our foreign aid program has had its successes, too. I feel very strongly that any foreign aid proposal should, in the first place, require clear justification.

After all, we are spending the money of American taxpayers. We are spending American taxpayers' money, by and large, to support and develop the economies of foreign countries, not the economy of the United States. It seems to me, therefore, that at this time particularly foreign aid spending should be scrutinized carefully because we are incurring a big deficit in the present fiscal year. We shall have a big deficit next year, on the basis of all predictions. In particular, we have a very serious balance-of-payments problem. The President is concerned about it. Economists and others are very deeply concerned about it. There is no question that few actions of the Congress contribute more directly to our balance-of-payments difficulty than does foreign aid, particularly when it involves loans or grants of American dollars.

One of the soundest principles that has been adopted by the present administration, a principle which I think was welcome on the part of those of us who have been concerned about foreign aid in the past, was the principle embodied in the Alliance for Progress proposals. That is the principle that, if we give aid to a country in South America or in Latin America, that aid should be designed to help all the people of that country, not merely a few people at the top. The principle we have adopted in the Alliance for Progress program is most encouraging, not only because it is based upon a solid and sound principle, not only because it means that our aid will be far more productive, but also because the basis, the kernel, the fundamental aspect of such aid is that it will advance freedom in South America and Latin America.

As to the kind of strings that should be attached to our Alliance for Progress aid, and how it shall be administered, we have said that we shall insist, in countries where a very small group of people own most of the land, and where tax systems are unfair and regressive, there must be tax reforms and land reforms, and such reforms must be undertaken in an effective way before we give our hard-earned taxpayers' dollars to those countries.

That principle makes a great deal of sense. I hope the program will be administered as strictly as possible on this principle, and that those criteria will be insisted upon.

But if we insist on that kind of principle in dealing with our good friends from South America, does it not make sense also to insist that when we give aid to any country, to the extent that we can persuade the government of such a country to do so, their people should be

given as much freedom and as much opportunity as possible to develop? Of course, we cannot insist that they conform to the Constitution of the United States. We must give aid to Turkey, Pakistan, Franco's Spain, South Korea, and many other areas in which governments are dictatorial.

But certainly if we are to give aid to a Communist dictatorship, if we are to give aid to a country which, as I shall show with full documentation in the RECORD, has aligned itself over and over again with the Soviet bloc, we should insist that that country do its best to provide greater freedom for the people within the country, and that it also support us once in a while.

I cannot see anything wrong with attaching conditions of that kind. When the Congress states, as the Proxmire amendment provided, that aid to Yugoslavia should be suspended, it seems to me that in view of the clear legislative history that was made at the time the amendment was pressed the position of the Congress was that we should not give Yugoslavia aid because Yugoslavia has not supported our position in our contest with the Soviet Union. Rather it has gone down the line to support the Soviet Union, over and over again.

Finally, I feel very strongly that foreign aid must serve the interests of the United States, the interests of our foreign policy, the interests of our security, and our overriding interest to achieve peace in the world.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PROXMIRE. I am happy to yield to my friend from Minnesota.

Mr. HUMPHREY. I appreciate the Senator's courtesy in informing me that he was about to make his speech. I know it will be a well-documented and well-thought-out presentation. One of the things that troubled me about the amendment was that I have no doubt that Mr. Tito is a Communist and that his regime is a Communist regime. But I had the feeling that for the past years Tito's regime was less closely affiliated with or under the heel of the Kremlin than was the regime of Poland. The Senator's amendment applied to Yugoslavia, for which I hold no particular brief, but excluded Poland. Poland is in the Warsaw Pact. Poland has at least 12 divisions of troops. I inquired as to those troops. Some of them are very good. I think the Polish people are non-Communist. They are one of the most delightful of all peoples in Europe. But Poland has a Communist government.

Mr. PROXMIRE. The reason why the Senator from Wisconsin was very specific in seeking to strike from the bill aid to Yugoslavia was that there was no aid for Poland in the bill, consequently there was no point in excluding Poland. The bill excluded her. I specifically asked the staff and the Senator handling the bill whether any aid for Poland was provided in the bill. I was told that it was not. When the Senator from Ohio [Mr. LAUSCHE] offered his amendment, which went further than did the amendment of the Senator from Wisconsin, and also struck out Public Law 480 assistance,

which, as the Senator from Minnesota well knows was not in the bill, the Senator from Wisconsin enthusiastically supported it, but did so with the feeling that it was doomed to defeat. It was passed and wiped out foreign aid to those countries. But it was a 24-hour triumph.

Mr. HUMPHREY. There was nothing in the foreign aid authorization bill prescribing aid to Yugoslavia.

Mr. PROXMIRE. There was \$10 million.

Mr. HUMPHREY. Not in the bill. There was a proposal before the AID administration for a loan of \$10 million, but there was no provision in the bill that would have prevented consideration of a proposal from Poland for a loan.

I sat through all the hearings of the Foreign Relations Committee. The Senator from Wisconsin and I well know that proposals made by our Government are contained in what we call secret documents. We do not care to have everything spread out to public view country by country, because otherwise one country might be played off against another, and there would be all kinds of pressure upon every Senator. Many people have favorites among the countries to be assisted, and they would like to see some benefited more than others. So about 9 years ago we stopped inserting in the bills descriptions of areas, regions, and country-by-country aid. The provisions were designated by functions. We inserted provisions for technical assistance, economic assistance, military assistance, and the President's emergency fund. But the recipient countries were not identified.

I believe a proposal was made, or was being considered, involving a \$10 million loan to Yugoslavia. Ambassador Kennan was right when he said that the aid had begun to taper off, so far as economic aid to Yugoslavia was concerned. I believe the Senator's point about the economic aid is a point that can be well documented. I believe that what was involved in this instance was methodology. The Ambassador felt that we had been doing quite well with our policy toward Yugoslavia under the difficult circumstances that existed. I would not want the RECORD to indicate that there was any language in the bill which prohibited a loan to Poland, as distinct from a loan to Yugoslavia.

Mr. PROXMIRE. Let me answer the Senator on that point. First there was before AID a program for economic development of \$10 million in Yugoslavia. My amendment killed that. Of course there was nothing in the bill that would have prevented aid to Poland or prevented such aid to Russia, East Germany, or China.

Mr. HUMPHREY. Oh, yes. I have to disagree with my distinguished friend.

Mr. PROXMIRE. Aid to East Germany?

Mr. HUMPHREY. Oh, yes.

Mr. PROXMIRE. Or aid to Bulgaria?

Mr. HUMPHREY. Oh, yes.

Mr. PROXMIRE. Or North Korea?

Mr. HUMPHREY. There is a provision that spells it out.

Mr. PROXMIRE. But those provisions have been very loosely applied in

the past. There was a provision which in my judgment would have prevented Public Law 480 aid to Poland. In my judgment, the proposal urged by the Senator from Illinois [Mr. DIRKSEN] and the Senator from Montana [Mr. MANSFIELD] would prevent effective Public Law 480 aid either to Yugoslavia or Poland, especially Poland, because the language states, in effect, that no aid may be given to any country which is a part of the international Communist conspiracy.

Mr. HUMPHREY. Communist or Marxist controlled.

Mr. PROXMIRE. The amendment as finally adopted established the criteria the President would have to meet. Under those circumstances, I was convinced that Poland could not meet those criteria. On the other hand, I was convinced, on the basis of the action of the last three Presidents, that Public Law 480 aid could be given to Poland in spite of restriction we wrote into the law. To say that the bill would have prevented aid to East Germany means that we expect the President to conform to the language. I am sure he will do so in the case of East Germany. There are no plans for economic development aid to Poland. I feel quite convinced that there will not be any economic development aid to Poland. However, there was a definite plan and program which the State Department and the President had every intention of putting into effect, involving a \$10 million economic development loan to Yugoslavia.

Mr. HUMPHREY. The Senator is correct; there was a proposal for what used to be called a development loan for Yugoslavia.

However, there was no prohibition against economic aid for Poland. The Polish people themselves had been hoping that they could get some economic aid. Their Economic Minister was in this country hoping to negotiate an economic loan from the Development Loan Fund. While there was a prohibition against economic aid for Yugoslavia, against which a case can be made—and the Senator has done well in presenting his case—it is my view that if there is to be a prohibition with respect to Yugoslavia, it should be extended, as the Senator and several other Senators feel, to other countries as well.

If there is any question about authorizing economic aid to East Germany that situation should be cleared up. The only reason that the previous administration considered any aid to Poland was a result of the Poznan riots in 1956, the coming to power of the Gomulko regime, the anti-Stalinist attitude of the Polish government, and also the feeling on the part of our high State Department officials and policy planners that aid to Poland might help insure Poland a degree of independence.

This program involves an element of risk. It is based upon the human equation of calculation. The Senator's argument can be made very persuasively that aid to Communist countries is a bad risk. The Senator feels that it was a bad risk.

Now, I do not put all authoritarian governments on the same plane. For instance, I do not equate a regime such



as Franco's with a Communist regime. I do not want any misunderstanding about that on the basis of the aid we give to Spain. I support such aid, because we have military need for bases in Spain, and because we have a security need in Spain. I also believe that some of our aid to Spain has been very helpful to the Spanish people, even though it has gone to them through the Franco government, with the exception of surplus food, which has been distributed ably and fairly by the Catholic welfare group. Our aid to Generalissimo Franco is a painful exigency of the cold war. I regret it, but it cannot be helped.

Mr. PROXMIRE. Let me say to the Senator from Minnesota that while I support aid to any country which can provide the United States with important bases, as Franco's Spain does, nevertheless I have mixed feelings about it. I recognize, as I am sure the Senator recognizes, that Franco is a ruthless tyrant. There is no real freedom in Spain under Franco. Our aid enables him to remain in power. I would not say that he could not stay in power without our aid, but it is conceivable that the aid is one of the ways by which this tyrant stays in power.

I have real misgivings about this kind of aid being given to any country, when I realize that the aid must be given through the Government and used by the Government, not to aid people who oppose the Government, but as one of the tools which enables the tyrant to stay in power.

That is why it is particularly bad to give aid to a Communist country, which has consistently, especially in recent years, supported the Soviet Union.

Mr. HUMPHREY. I am of the opinion that the aid which we have extended to Franco in Spain, while it may very well have given some degree of stability to Franco's regime, has also tended to some degree to liberalize his economy. When I visited that country I was shocked by the backwardness of the economy. I came to the conclusion, after having much different feelings, some years ago, that the Western European countries which had isolated Spain because of the Franco regime were making a mistake, that a flow of trade and cultural contacts with the Spanish people and Spanish officialdom would have a tendency to liberalize the social, political, and economic pattern of Spain.

This was my view. I still hold it. I believe that recent developments in Spain have shown that to be the case. It is true that Franco has imposed the rule of force upon his people. However, Franco will not always be there. One of these days there will be a more liberal regime in Spain. I believe that regime will fall within the pattern of what we call the Western European liberalism, rather than that of leftism or Marxism, or communism, which might have been the fate of Europe if we had not tried to help their peoples, even though we had to help them through their governments.

Mr. PROXMIRE. What the Senator says does not square with our experience elsewhere. Let us consider the situation in 1958, when I introduced an amend-

ment to eliminate aid to Batista's regime in Cuba, because he was a reactionary dictator. I was convinced that our aid to Cuba was helping Batista stay in power. Furthermore, it was identifying the United States with his kind of tyranny. I am convinced that one of the reasons Castro has gone so completely against us is that the Cuban people and the followers of Castro, and probably Castro himself, got the idea that we were helping to keep Batista in power, and that we were opposed to a so-called people's revolution. Therefore we must be very careful about this kind of situation and recognize that, merely because we give aid to a country, we are not necessarily fostering democratic development.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. HUMPHREY. I agree with the Senator from Wisconsin. The point I was trying to make is that when we give aid, we do not give it merely to help a country; we do it on the basis of what we believe is our national interest. In the instance of Spain, I voted against aid for Spain at one time in my period of service in the Senate. I finally came around to voting for aid for Spain because I thought that to do so was in our national interest. As a byproduct of that aid, I think there has been some improvement in the standard of living of the Spanish people, in whom I have my interest. I am confident that in the days to come, because of our continuing involvement with the Spanish people, Franco will be followed by a more liberal regime.

In the instance of Yugoslavia, I have never deluded myself about its merits, and I have been involved in these discussions and debates for years. My own argument—and it is one Senator's argument—is, first, that the President of the United States, the present President, ought not to be tied down any more specifically than were his predecessors. Actually, our economic aid to Yugoslavia was being reduced sharply, and the present administration did not show any great desire to expand the program; in fact, as many Senators pointed out, it has begun to taper it off.

Second, I believe we extended aid to Yugoslavia for only one reason, namely, that Tito had broken with Stalin, and also that Yugoslavia gave assistance to Greece and Turkey. Yugoslavia's willingness to assist the guerillas in the civil war in Greece brought about peace in Greece, and thereby Greece became a needed ally. It was a calculated political, strategic decision on the part of the United States that aid to Tito was better than leaving Tito to be destroyed by the Soviet Union or brought solidly within the Soviet bloc.

This is not the kind of issue which we can take out to the public and make any great progress with, because it gets down to coldblooded, almost Machiavellian calculations in the field of foreign policy and national security.

I know we who have defended the authority of the President to take these actions in the field of diplomacy without restriction and restraint, which the

amendment would have imposed, have a hard case to prove to the public; but by the same token I do not believe we can ask the President of the United States to be responsible for the security of the country in the field of diplomacy, and then tie his hands at a time when he seems to need a little more flexibility, or as much as his predecessors had.

Mr. PROXMIRE. I agree wholeheartedly that we should not tie the hands of the President of the United States if we can help it. I think we ought to give as much flexibility as possible. But I do believe, and I think I can develop this area of the argument, that this question is clearly within congressional discretion, constitutionally and on the basis of precedent. So it is not a question of tying the President's hands. Actually, he has a \$4,600 million foreign aid bill, which has had knocked out of it only a tiny portion of 1 percent, if we eliminate the \$10 million aid program to Yugoslavia.

In my judgment, there was justification in the past for aiding Tito, because from 1948 to 1952 Tito was helpful to us and was very much and very effectively opposed to Stalin. Undoubtedly, one of the main reasons why we succeeded in Greece and Turkey was due to the program of aid to Tito. But we have given \$2 billion worth of aid since then, and he has lined up, as I think I can show, in the last several years consistently against us.

He has worked hard to undermine us, and in some areas he has been successful.

The first question raised by the Senator from Minnesota is whether aid to a Communist- or a Marxist-dominated country could ever conceivably be in the interest of the United States. As I view the situation, and as I think most Senators view it, this is a question of a 1-year authorization bill. The two countries involved are Yugoslavia and Poland. I shall not talk about a number of other countries which some people say have been Marxist influenced or dominated. A leading Wisconsin newspaperman asked me if the denial of such aid would affect Scandinavian countries, because they have been somewhat Marxist influenced. As a practical matter of course, they would not be affected. The legislative history is very clear on this.

I suppose it has even been said by some that our own country is Marxist dominated. But in terms of the actual, practical matter of what happened on the floor of the Senate, we were talking about the fiscal year 1963, and we were speaking about Yugoslavia and Poland.

Then it was said by the Senator from Minnesota that there has been a tendency in our country to get into fixed or immobilized positions on national policies. Even after they no longer serve the national interest, we seem to get into a fixed, immobilized position. So said the Senator from Minnesota.

Now, as a matter of fact, this is what has happened in continuing aid to Yugoslavia, in view of her conduct.

In spite of the solid and sensible leadership of Secretary of State Rusk—and he has rendered an outstanding performance—the fact is that the State Department is a bureaucracy, and a big

bureaucracy. As a bureaucracy, it has a vested interest, as do its leaders and ambassadors, in its record, and especially the record of urging support for Tito in good season and bad, whether Tito is in or out of bed with the U.S.S.R.

All of us as humans have a vested interest in the course we have argued. It is very, very hard to reverse ourselves and recognize our errors. It is especially difficult when the reversal has to be achieved by a huge bureaucracy.

Under these circumstances, Congress serves a useful purpose when it challenges the State Department, especially when the challenge is wrapped into an authorization bill which compels the Department to justify its position; and when Congress stands ready to force a reversal of policy if the position is not justified.

Recently, the President of the United States spoke at Yale University on economic myths, mistaken, outdated notions that develop out of the human difficulty of adjusting to changing conditions. Whether myths or truths, these ideas need to be challenged. I welcomed the President's speech; I thought the framework was excellent and useful. But I submit that the myth that our national interest is served by economic support for a Communist dictator who is working night and day to undermine the U.S. position throughout the world should be challenged.

Prof. Zbigniew Brzezinski, director of the Research Institute on Communist Affairs of Columbia University, recently wrote:

From the standpoint of Western policy, it is dangerous to assume that the internal conflicts of the Communist world will necessarily lead to a relaxation in international tensions. If an open split takes place, it will presumably involve mutual accusations, and the Soviets will be charged by the Chinese with excessive moderations, and the Soviet leadership may find it necessary to demonstrate its revolutionary primacy by adopting a more rigid and insolent policy toward the West.

It would be hazardous to make concessions to Khrushchev on the assumption that he is to be preferred to other, possibly more militant Communist leaders. The paradox of the present situation is that concessions to Khrushchev weaken his argument with Mao by seemingly proving Mao's proposition that the West will yield if pushed hard enough.

If the West had not been fair with Khrushchev in the past, it would have weakened his arguments and would have provided him with no impetus for making an open break with the more militant Communists.

So long as we remain credibly committed to fighting the Soviet Union whenever the Soviet Union attacks our vital interests, we give the Soviet leaders the survival inducement to take chances even with Communist unity and peaceful victories. The Soviet leadership would prefer to have both Communist unity and peaceful victories. Our policy of firmness forces it to choose between the two and, indeed, it may result in denying both objectives to it.

Of course, exactly the same is true of Tito. So long as he can be both a militant international Communist leader building his economy, and maintain his dictatorship with U.S. aid, he will do both. Only if we make it clear that

our support is conditional upon his stopping this international Communist game will he cooperate.

Over and over again it has been said that we should applaud Tito because 70 percent of his trade is with the Western nations. That is exactly why we should insist that there should be some political support for our position. He is dependent upon us economically. He is dependent upon us for 70 percent of his trade. Most of his effective aid comes from this country. Under those circumstances, it makes sense to expect that Yugoslavia will refrain from supporting the Soviet Union again and again and, again, in matters directly affecting our foreign policy interests.

Mr. President, with 70 percent of Tito's trade with the West; with his country—according to Ambassador Kennan's statement of only a few days ago—more urgently in need of support than ever before; and with our food shipments under Public Law 480 crucial to the people of Yugoslavia, certainly we have power; and we should be willing to use it to insist on certain conditions. And we should be willing to cut off our aid if Tito does not "come across." Everyone who is familiar with Tito testifies to what a realist and a hard bargainer he is. Under the circumstances, certainly we should use the power and the advantage we have, and we should use them effectively.

In his speech, the distinguished Senator from Minnesota [Mr. HUMPHREY] also said:

Either we trust the President of the United States, under our system, to administer aid funds in accordance with the sense of Congress, or we put Congress in the role of an administrator, an executor of the laws. This would violate the concept of the separation of powers. History is replete with examples of the trouble which results when a multi-member legislature assumes executive functions.

Mr. President, this is a very, very difficult point for me to accept, because Congress clearly has the duty, as well as the right, to determine whether money should be spent, how much money, and for what purposes. Certainly this power includes the power to determine whether a specific country or a group of countries should receive our aid. The amendment which provided for cutting off aid to Yugoslavia was not an administrative action in any sense. It was simply a provision of the law which explicitly stated where Congress felt this country's foreign aid funds should be spent or should not be spent. So it is very difficult for me to understand how that is interference with a presidential prerogative.

Then the Senator from Minnesota stated:

Foreign aid is not merely an economic program; it is a political program. Foreign aid helps other countries, but its essential purpose is to help the United States.

Mr. President, I believe this, and this is precisely why both the politics of Tito and, especially, his attacks on the United States and his constant efforts to proselytize other countries to communism, and against the United States, mean that we should use our foreign aid wisely,

and should be prepared to withdraw it or suspend it or condition it, depending on Tito's actions; and I think I can say that his actions have been right down the line with Khrushchev, just as if he were formally behind the Iron Curtain, although he is not.

Then in his speech the Senator from Minnesota said:

No matter how much lipservice Tito may pay to such vague concepts as "proletarian internationalism," he is not the man to knuckle under to the direction of Moscow in either his foreign or domestic policies. Whatever he may be, Tito is a nationalist.

Mr. President, here is the real crux and the nexus of our disagreement. Tito is more than a nationalist; he is an internationalist, and he has said so, and he has demonstrated it. The Belgrade conference of neutrals, which was called in Yugoslavia, with Tito as the host, was for the purpose of pressing for adoption of the Khrushchev party line—which Tito did very effectively and very emphatically in his speech there. Tito's constant visits in Asia and Africa, which in recent years have been stepped up, are not for the purpose of promoting national communism, communism in Yugoslavia, but are for the purpose of promoting a militant international communism; and in some areas his visits and his efforts have been very effective.

The next point the Senator from Minnesota made in his speech was:

Another point we are prone to forget is that there has been a constant fluctuation in Soviet-Yugoslav relations. Now the pendulum is swinging back again toward what appears to be improved relations—influenced, in all likelihood, by economic rather than political considerations.

Of course Tito has sided with the West in part because of economic considerations. Tito has swung to the West because, as I have said, 70 percent of Yugoslavia's trade is with the West, and because Tito has to rely on and count on our aid. Under those circumstances, he has far, far too rarely swung over—as he should consistently—to the position of supporting the West.

Despite his economic dependence on us, his political swing has been in precisely the opposite direction, all-out Soviet Union support. And it is this political conduct which is unforgivable.

Then the Senator from Minnesota said, in his speech:

Who is to say that Tito and Khrushchev are inseparably linked together, or, even if they are, that international communism is necessarily the stronger for it. It could make the differences between Khrushchev and his "hard line" Stalinist rivals all the more difficult to bridge, and widen the gap between the Soviet Union and Communist China.

Mr. President, the point which this argument boils down to is that no matter what Tito does in his relationships with Khrushchev and with the Soviet Union, he merits the generosity of the United States taxpayers. If Tito opposes Khrushchev, then the bloc is splitting up, and Khrushchev has a bone in his throat, and our policy is working nobly. But if Tito cozies up to Khrushchev and supports him all the way, as he has been doing, this is great, too, because it means



that Tito is softening up Khrushchev, and that together they are splitting off from Mao or from Hoxha, in Albania.

However, Mr. President, it seems to me that it is rather apparent that we should keep our eye on the fact that Tito, in season or out, regardless of whether he is supporting or is opposing the Soviet Union, is actively engaged—not only in Yugoslavia, but also in Africa and Asia and throughout the world, and even in South America—in getting as much support for international communism as he possibly can. So we should keep our eyes on that situation, rather than on Tito's acquiescence with or his quarrels with Khrushchev.

Does the fact that Russia differs with China mean that we should give our support to China, when China is engaged in a struggle against us? Of course not.

Furthermore, the big split is between Russia and China—with Russia being the big and dominant power and China being the more militant but far weaker power. But both China and Russia are working against us. In this situation the obvious position occupied by Tito is that of supporting Khrushchev and Russia in their methods and techniques aimed at attaining world Communist domination.

Next, Mr. President, Russia's military assistance to India was cited by the Senator from Minnesota as an example of the split in the Communist bloc, because, so we were told, it assists India to oppose Red China. But far more significant, it seems to me, in India's accepting aid from Russia, is the fact that it tends to bring India under Russian influence and control. This is especially true of Mig Soviet plane sales, gifts, or aid to India.

As a matter of fact, our President and the administration generally are deeply concerned about Russian aid to India, and certainly not heartened about it, and should not be. I think we must recognize that Khrushchev happens to be following a temporary policy of relative peacefulness in Russia's warlike policy. Russia is the dominant Communist country—not China. There is no effective nuclear power in China, and there will not be for many years. It was reported the other day by Joseph Alsop that China is genuinely concerned about invasion from Formosa, and that hunger has really weakened, seriously and conspicuously, the strength and the popularity of the Communist government.

In supporting the position of the administration, and in opposing those in Congress who opposed aid to Yugoslavia, Ambassador Kennan said this: Congress conveyed to the Yugoslav Government "as it moves into a crucial phase of development of its relations with the East that there are no possibilities in United States-Yugoslav relations which could offer a favorable alternative to the Hobson's choice of reassociation in the Soviet bloc or acceptance of complete economic and political isolation in Europe."

It seems to me this statement of the Ambassador insults our intelligence. Yugoslav aid has come overwhelmingly from us. Her trade is more than 70 percent with the West. Suspending aid for 1 year, as I proposed, would not mean

complete economic and political isolation. The fact is that Yugoslavia will continue to trade, not only with us, but with Western Europe. Even cutting out Public Law 480 aid for most-favored-nation treatment does not destroy Yugoslav economic ties with the West. It puts effective pressure on Tito, and I think we should put tough, hard pressure on him. After all, if our foreign aid is to have any direction at all, it is to promote freedom in the world and to stop communism. When we have given him these many concessions, and Tito continues, as he did at Belgrade, to undercut us, why should we not use this power?

The political isolation, opposed to us and in support of Khrushchev, has not been our choice; it has been Tito's; and it has been made in spite of the fact that Yugoslavia's overwhelming trade is with the West, and the fact that we export three times as much into Yugoslavia as Yugoslavia sends to us.

Ambassador Kennan's statement that this isolation of Yugoslavia from the West caused by aid suspension would be "the greatest windfall that could have befallen Soviet diplomacy in this area" seems to me to make no sense at all. Khrushchev should be happy that he had as good a supporter as Tito—and he has been a good supporter, as I shall show in a moment—who has been recruiting nations for communism and has been supporting Khrushchev all out. Why should Khrushchev feel that he has received a windfall because we have reduced, or cut off, or suspended our aid to Tito?

It is perfectly obvious that Tito does not trade with the West because he prefers freedom to communism. Exactly the opposite is the fact. I defy anyone to show where Tito has relented one bit from his Communist position. The fact is that he has said he is a Communist, and he has backed that statement with action over and over again. He trades with the West because he needs what the West can sell or give him. It strengthens his ability to sell international communism and the Khrushchev party line.

Under these circumstances, there is every reason why Khrushchev should be concerned and displeased with the action of the U.S. Congress in limiting the assistance that has been building up a Communist economy in Yugoslavia, presided over by a Communist dictator, who has been faithful to Khrushchev consistently in the past few years.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. PROXMIRE. I am happy to yield to the Senator from Louisiana.

Mr. LONG of Louisiana. Does it not actually tend to benefit the Communist movement in many respects that this movement can take advantage of the nationalistic yearnings of the people? It seems to this Senator that one of the strongest improvements Khrushchev has made in advancing world communism, compared to the Stalin line, has been that Khrushchev has shown flexibility and has taken advantage of the patriotic desires of people in support of their nationalistic feelings. He has learned to take advantage of the nationalistic

feelings of the people in order to make their countries Communist nations. Of course, as we know, once they have become Communist nations, we can be fairly certain that, in the event of a life and death struggle, they are going to be against us.

Mr. PROXMIRE. I agree wholeheartedly with that statement. As the Senator from Louisiana has said so well, Khrushchev has a wisdom that Stalin did not have. He has taken advantage of nationalistic aspirations. It has not only helped Khrushchev to establish stronger world communism, but has meant a more effective unity. The fact is that while we could say that when we help build a stronger Communist Yugoslavia we tend to split the Communists apart; at the same time it could also be said that when we build up the separate entities of the Communist world, in the aggregate they are stronger. As Tito said at Belgrade in 1956, in event of war as well as peace he would fight shoulder to shoulder with the Soviet Union against the enemies of socialism, as he put it, or us.

What can we conclude but that we are helping communism when we build up Yugoslavia's economy? Of course we are.

I think the Senator from Louisiana is correct and that the flexibility Khrushchev has followed makes sense. He has demonstrated this not only with Yugoslavia, but with other Communist bloc nations.

I have been to Poland, and I have talked to the Polish people. It seems to me clear that Gomulka is Khrushchev's man in Warsaw. Gomulka has made it clear to the Polish people over and over again, by pictures and demonstrations, that the enormous armed might of the Soviet Union can roll and sweep into Poland at any time, and that therefore Poland is subject to the Soviet Union. Under those circumstances, for us to build up Poland is just to deceive ourselves. It is merely to build up the Communist bloc, by building one of its parts.

Mr. LONG of Louisiana. Mr. President, I would like to make this clear. I believe the Senator from Wisconsin feels as I do. I have high respect and a great admiration for the President of the United States. I have a very warm feeling for him as a former colleague. I must say that my agreement with the Senator from Wisconsin about this matter in nowise diminishes my respect for the sincere and patriotic desires of the President to best serve the interests of this Nation. My desire is somewhat similar to the President's desire. Our feeling now is the same as a difference we had with John F. Kennedy at the time he was a Member of this body. He felt that aid to the countries involved should be given, and this Senator and the Senator from Wisconsin have always felt that was not the better part of wisdom. I am sure the Senator, in taking his position, is not taking the view that the President of the United States is not sincere about this matter; we just do not agree with him. I assume the Senator from Wisconsin is making the record to show why we disagree about this matter.

Mr. PROXMIRE. I agree wholeheartedly with that. I have the greatest respect and admiration for the distinguished former Senator from Massachusetts, now the President of the United States. I think he is a real expert in foreign affairs. Undoubtedly he has a far broader grasp of foreign affairs and far more experience than the Senator from Wisconsin has.

At the same time, I think it is the duty of U.S. Senators to make up their own minds, based on the merits of proposals, and based on their best judgments of what the conditions are.

Mr. LONG of Louisiana. I thank the Senator. I believe the Senator has rendered a real service in bringing us the evidence he has presented to this body, which strongly tends to show that we shall have nothing to gain by playing the Tito game. Any day we may expect that Tito will be back in Moscow, with roses strewn in his path by the Communist organizers who have prepared a great welcome for him. We shall hear a repetition of what the Senator has stated, that Tito proposes never to separate himself from his Communist brethren.

I fear that aid in any respect which we give to these Communist nations tends to promote a respectability in a form of government of which we disapprove.

Mr. PROXMIRE. I thank the Senator from Louisiana.

Furthermore, the statement was made, by the Senator from Minnesota:

The action that was taken—

That is, the action in prohibiting aid to Communist countries—

The action that was taken was at the wrong time, because of a greater degree of independence of political action on the part of Yugoslavia and Poland than there had been at almost any other time in postwar history.

Mr. President, that is not true. The facts are these: At Belgrade, on September 3, 1961, Tito made as emphatic a declaration of support for Khrushchev and of specific opposition to the United States as he has ever made. It was far different from the talk we heard in 1949, 1950, 1951, and 1952.

There are no substantive points of difference between Khrushchev and Tito at the present time. Tito is right with Khrushchev, all the way.

Any argument that there is a greater degree of independence ignores these facts. It ignores Tito's projected visit to Moscow. It ignores Tito's "Commy" pitch to the neutrals to line up with him. It ignores Tito's alliance with Khrushchev against Mao at a time Mao was very weak.

I suppose, in terms at least of strategy, it might be better for us to hope that the other Communists would line up on the side of the weaker adversary, Communist China. Instead, Tito is supporting Khrushchev and supporting him all out.

It also ignores Tito's support of Castro. Tito has supported Castro over and over again.

It ignores the fact that Gomulka has shown few signs of independence from Khrushchev. People talk about how the

people of Poland welcomed Vice President Nixon when he visited Poland. That is absolutely true. When I was in Poland I talked with the Polish people, and they expressed nothing but hatred and deep hatred for Russia, for the Soviet Union, for the Communist bloc, and warm affection for the United States.

Mr. President, this does not mean that Gomulka feels that way. As a matter of fact, Gomulka is a dictator who would not stay in power for 10 minutes if the Polish people could have a free election. Every correspondent in Poland with whom I have talked agrees that Gomulka could not stay in power if he did not have the support of Russia, of the Soviet Union.

The whole thrust of the attack on those of us who would stop the aid to Communist countries, and particularly to Yugoslavia, is, Let us not forget the usefulness of the 1948 split between Tito and Stalin.

The answer, of course, as I said a few moments ago, is that it is necessary for us to go back to 1948 to find any significant action by Tito supporting us and opposing Soviet Russia. Even this action was wholly in the interest of Tito's personal survival and aggrandizement. It was the only way he could exist, to take the position he did and to ask for our support. It is in sharp contrast with Tito's present solid support of Khrushchev.

Then the statement was made:

Let us remember that 70 percent of Yugoslavia's trade is with non-Communist countries and only 30 percent is with the Soviet bloc. Yugoslavia is dependent on the West for capital, raw materials, training, equipment, spare parts, and some nonmilitary supplies. Unless he wants to commit political and economic suicide—

These are not my words—

Tito will not exchange his trade ties with the West for the bondage of Moscow.

(At this point, Mrs. NEUBERGER assumed the chair as Presiding Officer.)

Mr. PROXMIRE. Madam President, this is exactly the point. In spite of his overwhelming economic dependence on the West, Tito is almost solidly supporting the U.S.S.R. and is doing his best to persuade other neutrals to do likewise. It is time we used this economic bargaining power in our national interest to end the immense help Tito now is to the U.S.S.R. and the serious damage he is doing to us with the emerging countries of the world.

Then there was a quotation from the Chinese Reds, arguing that, after all, the Communists—especially the Chinese Communists—do not regard Tito as one of them. The quotation was as follows:

Tito's clique is a renegade from socialism—a lackey of the United States—playing a reactionary role.

This is the usual kind of Communist intramural conflict. It is as old as the battle between Lenin and Trotsky, or Marx and some of his detractors.

But what do the facts show? The facts show that Tito is now, and he has been, lined up as a solid, dedicated Communist, working with all his might and

main for international communism and specifically for the powerful, dominant Khrushchev and against the weaker Mao and Hoxha.

It is true that Tito has differed with the Soviet Union in respect to a few United Nations votes, but it has been a very few.

Between 1948 and 1954 Tito followed a policy of opposition to the Kremlin. Roughly since the death of Stalin, Yugoslavia has been an all-out Communist country.

The statement was made:

No other Communist country, not even Castro's Cuba, has been so unresponsive to the leadership of Moscow at the United Nations.

Madam President, let us take a look at the record of the votes in the United Nations. I have in front of me a report from the Library of Congress which shows the voting pattern for the 16th regular session of the United Nations General Assembly. It reports on a number of vital issues on which there were rollcall votes involving Yugoslavia, the Soviet Union, and the United States.

In the principal cases involving the split between the Western and Communist positions, Yugoslavia voted with the Soviet Union. For example, on the consideration of the inscription of Tibet, Yugoslavia voted with the U.S.S.R. and voted against the United States of America.

On the inscription of the item of Hungary, Yugoslavia voted with the U.S.S.R. and against the United States of America.

On the Mongolian resolution on seating two Koreans, Yugoslavia voted with the Soviet Union, with Khrushchev, with the Soviet bloc and against the United States of America.

On the U.S. resolution not to seat North Korea, Yugoslavia voted with the Soviet Union and against the United States of America.

On the resolution deploring the lack of cooperation by the U.S.S.R. and Hungary with U.N. special representatives in Hungary, Yugoslavia voted with the U.S.S.R. and against the United States of America.

On the Soviet resolution to seat the Chinese Communists, Yugoslavia voted with the Soviet Union and the Communist bloc and against the United States.

It is true that on one or two resolutions Yugoslavia voted with the United States. Specifically, on the resolution to approve a \$200 million U.N. bond issue for peace keeping operations, Yugoslavia was recorded as voting with the United States and against the U.S.S.R.

But how did Yugoslavia vote on the overall record, taking all the U.N. votes? Yugoslavia coincided with the United States 5 times and with the U.S.S.R. 21 times. Yugoslavia voted with the U.S.S.R. 21 times.

In the resumed General Assembly there was a vital vote in regard to Cuban charges versus the United States, on a Mongolian resolution stressing principles of nonintervention. Yugoslavia voted with the U.S.S.R. and against the United States of America.

Madam President, I invite attention to the preceding U.N. meeting, the 15th



session of the United Nations General Assembly. At that session Yugoslavia voted with the United States once. It voted with the United Soviet Socialist Republics 14 times. It coincided with neither five times.

At the resumed session of the 15th United Nations General Assembly, Yugoslavia voted with the United States not at all, and with the U.S.S.R. seven times.

I submit that on the basis of the documented evidence it is clear that the

statement that no other Communist country has been so unresponsive to the leadership of Moscow at the U.N. may be true, but it means nothing, because while Yugoslavia has been a little less responsive than the absolute and total stooges of the Soviet Union, the fact is that Yugoslavia and Tito have gone along with Khrushchev over and over again, with very few exceptions, and the exceptions have not been nearly as significant as the support.

Madam President, I ask unanimous consent to have printed at this point in the RECORD a memorandum in regard to the voting pattern for the 16th regular session of the United Nations General Assembly, and also a memorandum on the same subject, in regard to the 15th session.

There being no objection, the memorandums were ordered to be printed in the RECORD, as follows:

*Voting pattern for 16th regular session, United Nations General Assembly*

[Key: Y=yes; N=no; A=abstain; a=absent; NP=not participating]

	India	Indonesia	Yugoslavia	U.S.S.R.	United States	UNGA <sup>1</sup> total		
						Yes	No	Abstain
DISARMAMENT/NUCLEAR TESTING/ RADIATION ITEMS								
25-State resolution on Atomic Radiation Committee report: Implicit criticism of U.S.S.R. testing, Oct. 20, 1961.	A.....	A.....	Y.....	A.....	Y.....	75	0	17
Czech resolution merely noting Atomic Radiation Committee report, Oct. 20, 1962, Committee I.	Y.....	Y.....	Y.....	Y.....	Y.....	33	22	37
Resolution appealing to U.S.S.R. not to explode 50-megaton bomb, Oct. 27, 1961, Resolution 1632.	Y.....	Y.....	Y.....	N.....	Y.....	87	11	1
Indian resolution calling for urgent, uncontrolled moratorium on nuclear testing, Nov. 6, 1961, Resolution 1648.	Y.....	Y.....	Y.....	N.....	Y.....	71	20	8
United States-United Kingdom resolution calling for nuclear test ban treaty with effective international control, Nov. 8, 1961, Resolution 1649.	Y.....	A.....	A.....	N.....	Y.....	71	11	15
African resolution on creation of African denuclearized zone, Nov. 24, 1961, Resolution 1652.	Y.....	Y.....	Y.....	Y.....	Y.....	55	0	44
Afro-Asian resolution on banning use of nuclear weapons, Nov. 24, 1961, Resolution 1653.	Y.....	A.....	A.....	Y.....	A.....	55	20	26
Swedish resolution on agreement by nonnuclear powers not to acquire nuclear weapons or allow them to be stationed on their territory, Nov. 30, 1961, Committee I, Resolution 1665.	Y.....	A.....	Y.....	Y.....	Y.....	57	12	32
COLONIALISM/AFRICAN ITEMS								
Censure of South African Foreign Minister Louw for general debate speech, Oct. 11, 1961, resolution.	Y.....	Y.....	Y.....	Y.....	Y.....	67	1	20
Resolution asking France to recognize imprisoned Algerians as political prisoners, Nov. 15, 1961, resolution.	Y.....	Y.....	Y.....	Y.....	Y.....	62	0	31
Indian resolution on West New Guinea calling for direct negotiations between Dutch and Indonesians, Nov. 27, 1961.	Y.....	Y.....	Y.....	Y.....	Y.....	41	40	21
French-African resolution on West New Guinea stressing self-determination and establishing U.N. Commission, Nov. 27, 1961.	N.....	N.....	N.....	N.....	Y.....	53	41	9
38-state resolution on colonialism establishing U.N. Special Committee To Make Recommendations on Granting Independence, Nov. 28, 1961.	Y.....	Y.....	Y.....	Y.....	Y.....	97	0	4
Soviet amendment to 38-state resolution on colonialism, setting 1962 as year of elimination of colonialism, Nov. 27, 1961.	A.....	A.....	Y.....	Y.....	A.....	19	46	36
Sanctions and expulsion paragraphs of African resolution on apartheid in South Africa, Nov. 28, 1961.	A.....	Y.....	Y.....	Y.....	Y.....	48	31	22
Indian resolution on apartheid, condemning South Africa but without call for sanctions or expulsion, Nov. 28, 1961, resolution.	Y.....	Y.....	a.....	Y.....	Y.....	97	2	1
Resolution on South West Africa proclaiming right of people to independence, Nov. 13, 1961, Committee IV, resolution.	Y.....	Y.....	Y.....	Y.....	Y.....	86	1	4
Noncompliance of Portugal with General Assembly resolution 1542 (XV) re reporting to U.N. on its overseas territories, Nov. 14, 1961, resolution.	Y.....	Y.....	Y.....	Y.....	Y.....	90	3	2
Algeria: Resolution calling for renewal of negotiations with specific reference to PGAR, Dec. 20, 1961, resolution.	Y.....	Y.....	Y.....	Y.....	Y.....	62	0	38
EAST-WEST ITEMS								
Inscription of item on Tibet, Sept. 25, 1961.	A.....	N.....	N.....	N.....	Y.....	48	14	35
Inscription of item on Hungary, Sept. 25, 1961.	A.....	N.....	N.....	N.....	Y.....	51	15	30
Mongolian resolution on seating 2 Koreans, as amended, Dec. 13, 1961, Committee I, resolution.	A.....	N.....	N.....	N.....	Y.....	63	18	19
United States resolution not to seat North Korea, Dec. 19, 1961, Committee I, resolution.	A.....	N.....	N.....	N.....	Y.....	54	17	22
Korea: Report of U.N. Information Committee, Dec. 20, 1961.	A.....	A.....	A.....	N.....	Y.....	60	11	27
Recognition of right of self-determination for Tibet, Dec. 20, 1961.	A.....	A.....	A.....	N.....	Y.....	56	11	29
Resolution deploring U.S.S.R. and Hungarian lack of cooperation with U.N. Special Representative on Hungary, Dec. 20, 1961, resolution.	A.....	N.....	N.....	N.....	Y.....	49	17	32
Chinese representation: Important question resolution, Dec. 15, 1961, resolution.	N.....	N.....	N.....	N.....	Y.....	61	34	7
Chinese representation: Soviet resolution to seat Chinese Communists, Dec. 15, 1961.	Y.....	Y.....	Y.....	Y.....	N.....	37	48	19
MISCELLANEOUS ITEMS								
Admission of Mauritania, Oct. 27, 1961.	A.....	A.....	A.....	A.....	Y.....	68	13	20
U.S. resolution on UNRWA endorsing PCC efforts without Arab amendments, Dec. 20, 1961, resolution.	Y.....	A.....	A.....	A.....	Y.....	62	0	37
UNRWA: Arab amendment re property rights, Dec. 20, 1961.	Y.....	Y.....	Y.....	Y.....	Y.....	40	37	21
16-power resolution urging direct Arab-Israel negotiations, Dec. 19, 1961.	N.....	N.....	N.....	N.....	Y.....	34	44	20
Arab League resolution calling for self-determination in Oman and withdrawal of U.K. troops, Dec. 14, 1961.	Y.....	Y.....	Y.....	Y.....	Y.....	33	21	37
Resolution authorizing ONUC financing from Nov. 1, 1961, to July 1, 1962, Dec. 20, 1961, resolution.	Y.....	Y.....	Y.....	N.....	Y.....	67	13	15
Resolution authorizing UNEF financing from Nov. 1, 1961, to July 1, 1962, Dec. 20, 1961, resolution.	A.....	Y.....	Y.....	N.....	Y.....	61	11	24
Resolution requesting ICJ opinion re legal obligations of ONUC and UNEF payments, Dec. 20, 1961, resolution.	A.....	A.....	A.....	N.....	Y.....	52	11	32
Resolution approving \$200,000,000 U.N. bond issue for peacekeeping operations, Dec. 20, 1961, resolution.	Y.....	Y.....	Y.....	N.....	Y.....	58	13	24
Coincide with United States	4.....	4.....	5.....	.....	.....	.....	.....	.....
Coincide with U.S.S.R.	16.....	19.....	21.....	.....	.....	.....	.....	.....
Coincide with neither	12.....	9.....	7.....	.....	.....	.....	.....	.....
Coincide with both	5.....	5.....	4.....	.....	.....	.....	.....	.....

<sup>1</sup> United Nations General Assembly.

## Voting pattern for 16th regular session, United Nations General Assembly—Continued

[Key: Y=yes; N=no; A=abstain; a=absent; NP=not participating]

## RESUMED GENERAL ASSEMBLY

	Yugoslavia	U.S.S.R.	United States	UNGA <sup>1</sup> total		
				Yes	No	Abstain
COLONIALISM/AFRICAN ITEMS						
Angola:						
Bulgaria-Poland resolution calling for sanctions against Portugal, Jan. 30, 1962.....	Y.....	Y.....	N.....	26	43	32
Afro-Asian resolution calling for self-determination of Angola, Jan. 30, 1962 (Resolution 1742),	Y.....	Y.....		99	2	1
Resolution calling on U.N. Committee of 17 to consider whether Southern Rhodesia is fully self-governing, Feb. 23, 1962 (Resolution 1745).	Y.....	Y.....		57	21	24
Resolution on Ruanda-Urundi envisaging termination of U.N. trusteeship on July 1, 1962, and allowing for possible continued Belgian presence after independence, Feb. 23, 1962 (Resolution 1743), Committee IV.	Y.....	A.....		87	0	11
EAST-WEST ITEMS						
Cuban charges versus United States:						
Czech-Rumanian resolution, operative paragraph urging United States to stop interference in Cuba's internal affairs, Feb. 15, 1962, Committee I.	A.....	Y.....	N.....	11	50	39
Mongolian resolution stressing principle of nonintervention, Feb. 20, 1962.....	Y.....	Y.....	N.....	37	45	18
Coincide with U.S.S.R.....						2
Coincide with neither.....						4
Coincide with United States.....						0

<sup>1</sup> United Nations General Assembly.

## WEST EUROPE AND OLD COMMONWEALTH

## Voting pattern for 1st portion of 15th session of United Nations General Assembly

[Key: Y=Yes; N=No; A=Abstain; a=Absent]

	Australia	Austria	Belgium	Canada	Denmark	Finland	France	Iceland	Ireland	Italy	Luxembourg	Netherlands	New Zealand	Norway	Portugal	Spain	Sweden	Union of South Africa	United Kingdom	Yugoslavia	United States	Soviet bloc	Total		
																							Yes	No	Abstention
Australian amendment to 5-power resolution re summit Oct. 5, 1960.....	Y	A	A	Y	A	N	Y	A	A	A	A	A	A	A	A	A	A	A	Y	N	Y	A	5	45	42
Chinese representation, U.S. moratorium resolution, Oct. 8, 1960.....	Y	Y	Y	Y	N	N	Y	A	A	Y	Y	Y	Y	N	A	Y	N	Y	Y	N	Y	N	42	34	22
Tibet, inclusion, Oct. 10, 1960.....	Y	Y	Y	Y	Y	A	Y	Y	Y	Y	Y	Y	Y	Y	A	Y	N	Y	Y	N	Y	N	40	13	35
Hungary, inclusion, Oct. 10, 1960.....	Y	Y	Y	Y	Y	A	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	N	54	12	31
Soviet disarmament item proposal allocate to plenary, Oct. 11, 1960.....	N	A	N	N	N	A	N	N	N	N	N	N	N	N	N	N	N	N	N	A	N	Y	13	54	31
Soviet item on U.S. aggression proposal allocate to plenary, Oct. 13, 1960.....	N	A	N	N	N	A	N	N	N	N	N	N	N	N	N	N	N	N	N	A	N	Y	10	54	33
Cuban item on U.S. aggression proposal allocate to plenary, Nov. 1, 1960.....	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	Y	N	Y	29	45	18
Resolution requesting Spain and Portugal transmit information on territories, Nov. 11, 1960 (Committee IV).....	A	A	N	A	Y	Y	N	a	Y	A	a	A	A	Y	N	N	Y	N	A	Y	A	A	45	6	24
Ghana motion adjourn debate Congo credentials, Nov. 18, 1960.....	N	Y	Y	A	Y	A	Y	Y	Y	A	Y	Y	Y	Y	Y	Y	Y	A	Y	Y	N	Y	36	51	11
Report endorsing Kasavubu credentials, Nov. 22, 1960.....	Y	Y	Y	A	Y	A	Y	Y	Y	A	Y	Y	Y	Y	Y	Y	Y	A	Y	Y	N	Y	53	24	19
Iraq proposal re Mauritania, Nov. 26, 1960 (Committee I) (pro-Moroccan).....	N	Y	N	N	N	N	N	N	Y	N	N	A	N	N	N	N	N	N	N	Y	N	Y	31	39	25
Resolution calling for steps redistribute security council seats at this session, Dec. 6, 1960 (SPC).....	N	A	N	N	A	A	A	A	A	N	N	N	N	A	N	N	A	N	N	N	N	N	36	42	17
Soviet amendment to colonialism resolution calling for full independence by end 1961, Dec. 14, 1960.....	N	N	N	N	N	A	N	N	N	N	N	N	N	N	N	N	N	N	N	Y	N	Y	29	47	22
Afro-Asian colonialism resolution, Dec. 14, 1960.....	A	Y	A	Y	Y	Y	A	Y	Y	Y	Y	Y	Y	Y	A	A	Y	A	A	Y	A	Y	89	0	9
Pakistan, Senegal, and Tunisian resolution on "Binding Legal Obligations" re payment Congo costs (Committee V), Dec. 15, 1960.....	Y	Y	A	Y	Y	Y	A	a	Y	Y	Y	Y	Y	Y	N	A	Y	A	Y	A	Y	N	45	15	25
Cyprus amendment to resolution on Algeria calling for referendum under U.N. "auspices", Dec. 19, 1960.....	N	Y	N	N	Y	Y	a	Y	Y	N	N	N	N	Y	N	N	Y	a	N	Y	N	Y	53	27	16
Resolution on Algeria without paragraph re U.N. auspices but recognizing U.N. responsibility contribute independence and self-determination, Dec. 19, 1960.....	A	Y	A	Y	Y	Y	a	Y	Y	A	A	A	A	Y	N	A	Y	N	A	Y	A	Y	63	8	27
United States/United Kingdom resolution on Congo supporting SYG, Dec. 20, 1960.....	Y	Y	Y	Y	Y	A	A	Y	Y	Y	Y	Y	Y	Y	A	Y	Y	A	Y	N	Y	N	43	22	32
Ghana, India, Yugoslavia resolution on Congo critical of SYG, Dec. 20, 1960.....	N	N	N	N	N	A	N	N	N	N	N	N	N	N	N	N	N	N	N	Y	N	Y	28	42	27
Total:																									
Coincide United States (254).....	<sup>1</sup> 19	<sup>2</sup> 10	<sup>2</sup> 16	<sup>2</sup> 15	<sup>2</sup> 12	<sup>2</sup> 3	<sup>2</sup> 12	<sup>2</sup> 11	<sup>2</sup> 9	<sup>2</sup> 17	<sup>2</sup> 16	<sup>2</sup> 16	<sup>2</sup> 17	<sup>2</sup> 12	<sup>2</sup> 12	<sup>2</sup> 15	<sup>2</sup> 10	<sup>2</sup> 12	<sup>2</sup> 19	<sup>2</sup> 1					
Coincide U.S.S.R. (84).....	2	6	2	4	5	5	0	4	7	4	3	4	4	5	3	3	6	2	2	14					
Coincide neither (56).....	0	5	2	2	2	11	5	2	3	0	0	1	0	2	5	3	3	5	0	5					

<sup>1</sup> 2 votes coincide with both United States and Soviet bloc.  
<sup>2</sup> 1 vote coincides with both United States and Soviet bloc.

## NOTES

(1) All votes are roll-call votes and were held in Plenary Session unless otherwise indicated. (2) Soviet bloc consists of 9 members: Albania, Bulgaria, Byelorussian S.S.R., Czechoslovakia, Hungary, Poland, Rumania, Ukrainian S.S.R., and U.S.S.R.



## Voting pattern for resumed session of 15th United Nations General Assembly

[Key: Y=Yes; N=No; A=Abstention; a=Absent]

	Australia	Austria	Belgium	Canada	Denmark	Finland	France	Iceland	Ireland	Italy	Luxembourg	Netherlands	New Zealand	Norway	Portugal	Spain	Sweden	Union of South Africa	United Kingdom	Yugoslavia	United States	Soviet bloc	Total		
																							Yes	No	Abstention
Resolution reaffirming mandate of Committee on South West Africa and bringing matter to attention Security Council, Apr. 7, 1961 (Res. 1596).....	A	Y	A	Y	Y	Y	A	Y	Y	Y	A	A	Y	Y	A	A	Y	a	A	Y	Y	Y	84	0	8
U.S. motion invite representatives Republic of Korea and North Korea participate Korean debate (latter must accept U.N. jurisdiction) (Committee I), Apr. 12, 1961.....	Y	A	Y	Y	Y	A	Y	Y	Y	Y	Y	Y	Y	Y	Y	A	A	A	Y	N	Y	N	59	14	23
African resolution on apartheid: Operative paragraph re sanctions, Apr. 13, 1961.....	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	a	N	Y	N	Y	42	34	21
Asian resolution deploring apartheid (without sanctions), Apr. 13, 1961 (Res. 1598).....	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	a	Y	a	Y	Y	Y	Y	95	1	0
Japanese motion to seat Republic of Korea representatives without awaiting North Korean reply (Committee I), Apr. 14, 1961.....	Y	Y	Y	Y	Y	A	Y	Y	Y	Y	a	Y	Y	Y	a	Y	Y	Y	Y	A	Y	N	44	15	18
Resolution on Congo (Belgian withdrawal) operative paragraph threatening sanctions against Belgium, Apr. 15, 1961.....	N	A	N	N	N	A	N	N	A	N	N	N	N	N	N	N	N	N	N	Y	N	Y	49	26	24
Afro-Asian resolution on Congo: Operative paragraph requesting SYG take action re arms control, Apr. 15, 1961.....	Y	Y	Y	Y	Y	Y	A	Y	Y	Y	Y	Y	Y	Y	A	Y	Y	Y	Y	A	Y	N	83	11	5
Afro-Asian resolutions on Congo: Resolution as a whole advocating peaceful settlement, including paragraph re SYG, Apr. 15, 1961 (Res. 1600).....	Y	Y	A	Y	Y	Y	A	Y	Y	Y	Y	Y	Y	Y	A	A	Y	A	Y	A	Y	N	60	16	2
Soviet draft resolution on Congo: Re convene Congo Parliament within 21 days, Apr. 15, 1961.....	N	N	N	N	N	A	N	N	N	N	N	N	N	N	N	N	N	N	N	Y	N	Y	29	53	17
Resolution on Angola: Calling on Portugal to "consider urgently" reforms in Angola, Apr. 20, 1961 (Res. 1603).....	A	Y	A	Y	Y	Y	A	Y	Y	Y	a	A	Y	Y	a	N	Y	N	A	Y	Y	Y	73	2	9
Resolution endorsing result of plebiscite in U.N. Trust Territory of British Cameroons, Apr. 21, 1961 (Res. 1608).....	Y	Y	N	Y	Y	Y	N	Y	Y	A	N	Y	Y	Y	A	A	Y	Y	Y	Y	Y	Y	64	23	10
Arab resolution Palestine Refugees: Paragraph recognizing need of safeguarding property rights, Apr. 21, 1961.....	N	N	N	N	N	N	N	N	N	A	N	N	N	N	A	Y	N	N	N	Y	N	Y	44	38	12
Arab resolution Palestine Refugees: as a whole without paragraph re property rights, Apr. 21, 1961 (Res. 1604).....	Y	Y	A	A	Y	Y	A	A	Y	A	N	Y	Y	Y	A	Y	Y	Y	Y	Y	Y	Y	37	17	38
Resolution on U.N. Trust Territory Ruanda-Urundi: Instructing Belgium and U.N. Commissioner on Future Actions, Apr. 21, 1961 (Res. 1605).....	Y	Y	N	Y	Y	Y	A	Y	Y	Y	a	Y	Y	Y	A	A	Y	A	Y	Y	Y	Y	86	1	4
Pakistan and Tunisian resolution on Congo financing: Apportioning cost among all U.N. Members, Apr. 22, 1961 (Res. 1619).....	Y	Y	N	Y	Y	Y	A	Y	Y	Y	Y	Y	Y	Y	a	a	Y	A	Y	A	Y	N	54	15	23
Mexican draft resolution on Cuban charges U.S. aggression: Implicit criticism United States, Apr. 22, 1961.....	N	A	N	N	A	A	N	A	Y	N	N	N	N	A	A	A	A	A	N	Y	N	Y	41	35	20
7-power Latin American resolution on Cuba: Operative paragraph OAS responsibility, Apr. 22, 1961.....	Y	Y	Y	Y	Y	A	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	A	Y	Y	N	Y	N	56	32	8
7-power Latin American resolution on Cuba: As whole without operative paragraph re OAS, Apr. 22, 1961 (Res. 1616).....	Y	Y	Y	Y	Y	A	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	A	Y	Y	A	Y	N	59	13	24
Total:	12	9	10	12	11	5	9	11	10	11	11	12	12	11	5	7	8	7	12	0	-----	-----	-----	-----	-----
Coincide United States (185).....	0	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	1	0	0	0	7	-----	-----	-----	-----
Coincide U.S.S.R. (10).....	2	3	6	1	1	7	8	3	1	3	3	2	0	1	9	7	4	6	2	5	-----	-----	-----	-----	-----
Coincide neither (74).....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Coincide both (80).....	4	6	1	5	6	6	1	4	6	4	1	4	6	6	1	1	6	2	4	6	-----	-----	-----	-----	-----

## NOTES

- (1) All votes are rollcall votes and were held in plenary session (3/4 majority required) unless otherwise indicated. Committee votes require only simple majority.
- (2) Resolution numbers are indicated for those resolutions formally adopted by General Assembly. No numbers are indicated for procedural motions or where resolutions failed of passage.

Mr. PROXMIER. Madam President, the following statement was made:

It would appear Yugoslavia shares our view of what the United Nations should be. Yugoslavia, through its influence against the troika, said "No," and voted against the Soviet Union and for the United States.

Of course, that statement was true on that vote, but that vote was not even close. Now Yugoslavia is following the position of the Soviet Union—Khrushchev's position—on the troika. The Belgrade speech was the clearest evidence of that attitude, for, on September 3, 1961, in speaking about modifying the rule of the Secretary-General of the U.N., Tito suggested that the Secretary-General of the U.N. be downgraded to a simple administrative functionary of the United Nations without independent political competency.

In other words, the position of Tito is not that the U.N. should carry on as

we envision the U.N. should carry on, and as Hammarskjöld and U Thant have carried on, as a vigorous and effective force seeking to put out the fires of war wherever the U.N. can do so. On the contrary, the U.N.'s only administrative and top executive official, the only man who could make the U.N. a really effective instrument to act promptly and effectively, according to Tito, should do nothing of the kind. Tito would have him merely be a functionary of the U.N. without independent political competency.

It seems to me that the Belgrade utterance of Tito lines him up solidly on the side of Khrushchev and in favor of gutting the U.N. as an effective organization.

The following question is asked:

Why should we remove one of the major forces that permits and encourages some degree of independence on the part of Yugoslavia in her relations with Soviet Russia?

The answer is that the present effective independence of Yugoslavia from Khrushchev is minimal. There is no basis for contending that our aid encourages even that. The sharpest and most significant display of independence of Russia that was demonstrated by Yugoslavia was before we started the massive aid program. At that time Yugoslavia supported and helped us in the struggle in Greece and Turkey. But since that time Yugoslavia has moved away. On the basis of experience, it is clear that since we have not tied strings to our aid, since Congress has not insisted that if we are to give aid to Yugoslavia, she must show some support for us, and since past administrations have not done so, Tito has not felt that he had reason or incentive to support our position.

If our aid is designed to encourage such independence, we should shut it off

(3) Soviet bloc consists of 9 members: Albania, Bulgaria, Byelorussian S.S.R., Czechoslovakia, Hungary, Poland, Rumania, Ukrainian S.S.R., U.S.S.R. Bloc voted together on all issues with exception Arab resolution on Palestine refugees where confused situation re final vote produced unintentional difference among bloc members (U.S.S.R. and 2 others voted "Yes" at end of rollcall, 6 bloc members voting before U.S.S.R. abstained.)

when Tito is not independent and grant it only when he is.

What is the value of Tito's independence? It seems to me that at the present time it is virtually nil, especially when it includes, as so-called independence, support of Khrushchev, support of Castro, support of Ulbricht, and opposition to us.

Madam President, I supported not only my own amendment, but also the Lausche amendment. The amendment of the Senator from Ohio would have prohibited assistance, including the sale of surplus food under Public Law 480, to Poland as well as to Yugoslavia. It would have had a broader potential effect.

I supported the amendment reluctantly because I feel, as I know the great Senator from Minnesota has said so eloquently over and over again all over the country, that we should be compassionate in our relations with foreign countries, and do all we can to encourage and build up all countries in any way possible. I am much persuaded by his arguments that we can go much further with the use of compassion, love, and cooperation with respect to the people of those countries than we can ever go with stern opposition. But that is with regard to their people. Their hard-headed Communist bosses are a different proposition. Here toughness and hard bargaining makes sense.

The record should show that the effect of the Lausche amendment would have been to prohibit Public Law 480 aid to Poland and to Yugoslavia. So far as Poland is concerned, that is exactly the kind of aid which is least helpful to the people of Poland. Poland exports a great deal of its food to the Soviet Union. The Soviet Union relies on Poland as a source of agricultural produce. There is no question in my mind that when we send hundreds of millions of dollars worth of surplus food and fiber to Poland, hundreds of millions of dollars of food and fiber go to the Soviet Union. It is apparent to us, and has been made especially apparent, underlined and emphasized in recent weeks, that the Soviet Union needs additional food. The Soviet Union needs food so that it can release more men from agriculture and bring them into the factories, into armament production, and into industrialization. That has always been the primary economic problem of Communist countries.

Most recently that point has been emphasized because Khrushchev announced an increase in the price of butter to \$1.80 a pound, and of meat to \$2 a pound. Certainly this has the effect of reducing consumption of food in the Soviet Union. This makes it possible to devote more resources to industrial production. Khrushchev would not have taken this step if he could have avoided it, because he recognizes the importance of popular support. Such drastic action as increasing the cost of food is always unpopular, even in a Communist country. But he did it because the military machine of the Soviets needed more manpower and the Soviet economy needed more food. Under those circumstances, what sense does it make for us

to send food to Poland? The Polish people produce food that goes to Russia. If we send food to Poland, then directly or indirectly, that food will go from Poland to the Soviet Union. This makes no sense to me. So, like the Senator from Minnesota, I am very reluctant to use food as a weapon, but I think we must use it as a weapon, because of the kind of grim and terrible struggle in which we are engaged with the Communists. They intend to dominate the world. They will do so if they can.

The Government of Red China is in very serious trouble. It is conceivable that the Government of China might fall. Why? Because there is a shortage of food, and the people might be willing and ready to revolt.

Madam President, to summarize, once again I want to say at the end, as I did at the beginning, that any foreign aid our Government gives to another country should require a clear justification. Our foreign-aid programs in the past have been very successful under some circumstances. The State Department under past administrations and certainly under the present administration has done a fine job many times in administering foreign aid.

However, we should certainly require a clear justification for our aid at a time when it contributes directly to aggravating our balance-of-payments problem. We should certainly insist, as a minimum, with a country like Yugoslavia, as we insist with Brazil and Venezuela and Argentina, and our other South American friends, that strings be attached to any aid we give.

In the Alliance for Progress we have said that if we are going to give aid to a Latin American country, it must engage in reforms, in economic reforms, so that the people will get the benefit of the aid; that the country must engage in land reforms and in tax reforms and in educational reforms. I support that principle. It is a wonderful principle. It is one of the great contributions that has been made to foreign aid.

At the same time we should insist on political reforms in Yugoslavia. We should insist that in Yugoslavia they should be moving in the direction of greater freedom for the Yugoslavian people.

We hear of the jailing of Djilas, a former Vice President and former close aid of Tito, a man whose only crime was to have written a book "Conversations With Stalin," in which the most significant new element is its criticism of Khrushchev. Khrushchev undoubtedly considers that book an insult. That is the cause of Djilas being jailed by Tito.

To many experts on Yugoslavia the second imprisonment of Djilas was an almost incomprehensible action, unless one reads the book carefully to see the reason for it. This once again clearly shows the dependence of Yugoslavia on the Soviet Union and the support by Tito of Khrushchev. It also indicates the lack of freedom in Yugoslavia at the present time. We should attach political strings, even political ropes, if possible, to aid to Yugoslavia, and insist, as a condition of aid to Yugoslavia, that, at the very least, they cease their con-

stant and effective proselytizing of underdeveloped countries to the cause of communism and against the United States of America.

Mr. KEATING. Madam President, will the Senator yield on that point?

Mr. PROXMIRE. I yield.

Mr. KEATING. Efforts were made by Yugoslavian sources to prevent the publication of Djilas' book in the United States.

Mr. PROXMIRE. The Senator is absolutely correct.

Mr. KEATING. Heavy pressure was brought to bear to prevent its publication. Why? It was done because it showed the hookup and close ties between Yugoslavia and the U.S.S.R. Testimony has been taken in executive session—which I hesitate to discuss further—which, when it is published, will be very revealing. I hope it will be done soon. It bears upon the very subjects which the distinguished Senator is discussing this afternoon.

Mr. PROXMIRE. I thank the Senator from New York. He is completely correct. Of course the fact is that there was a very sincere effort, a very human effort, on the part of the publishers of "Conversations With Stalin," not to publish the book if this would keep Djilas out of the terror and horror of the Yugoslavia jail. Although the publishers were willing to withdraw the book, the fact is that Djilas was jailed nevertheless. Of course, the book is now well known, and we know what is in the book.

Madam President, before I take my seat, I wish to indicate the support for the position that I am taking by some distinguished scholars who understand the situation. A very revealing article was published in the Reporter magazine of September 28, 1961, written by Mr. George Bailey. The title of the article is "They Call Themselves Neutrals."

In the course of the article, Mr. Bailey writes as follows:

But in a larger sense the conference—

That is, the Belgrade Conference—was the result of the direction taken by the Yugoslav Government 10 years ago to find a way out of its ideological isolation after the break with Stalin and its refusal to join forces with Social Democratic countries and parties of the West. A "campaign to the south" was undertaken, as one observer put it, as a way of demonstrating Marxist respectability without joining the Soviet Union and its bloc. It was more than this. It was an attempt to demonstrate Marxist legitimacy. In this connection Yugoslavia has seen its role as that of front runner, trail blazer for the sort of communism it hoped would evolve in the Soviet Union as a result of the succession of the "liberal" Khrushchev. "Yugoslav policy," said a Belgrade official several years ago "is what Soviet policy ought to be."

It is pointed out in this article that that hope has not succeeded completely. Nevertheless, the article continues:

Their optimism has survived even the experience of being singled out for condemnation by Khrushchev in his draft program of the Soviet Communist Party released on July 30. Indeed, the more truculent Soviet policy became, the more desperately and energetically Yugoslavs defended Khrushchev as a victim of Stalinists at home and Chinese Communists abroad.



Mr. Bailey writes further that there was one piece missing in the compromise. He writes:

But there was one piece missing: relations on the government level could not be fully regularized within the Soviet bloc until Yugoslavia had also established diplomatic relations with the German Democratic Republic. And here was a situation in which it seemed that Yugoslavia could render great service to the Soviet Union and the bloc. For by using the international prestige it had acquired in its fight against Stalin, Yugoslavia's act of recognizing East Germany could be expected to work as a catalyst, inducing other countries to follow its example and consolidate the Soviet military gains in Eastern Europe. But the Yugoslavs were woefully mistaken: not one country followed when they recognized East Germany in October 1957.

Then, according to Mr. Bailey:

The failure of the conference to generate more than token indignation at the Soviet announcement of the decision to resume nuclear testing on the eve of its opening was a signal Soviet triumph and Western defeat at Belgrade.

Then Mr. Bailey goes on to say:

The fitting of the Marxist formula onto the natural anticolonial reaction is the greatest service the Yugoslav regime has made to the Communist cause. It renders the original sins of armament and even armed intervention "defensive." This is why the conference's reaction to the Soviet decision to resume nuclear testing was so weak and why if the United States instead of the Soviet Union had violated the moratorium on testing, the reaction would have been incomparably more violent. "Why, they'd have torn down the American Embassy," said one observer.

That was one great defeat for us, that 48 hours after Khrushchev had resumed nuclear testing, something that should have appalled the consciences of neutral nations, the so-called peace-loving nations, whom Tito was able to lead at that conference to an understanding of what Khrushchev had done.

As Mr. Bailey says, if America had done it, they would have torn down the American Embassy.

Then he says:

Yugoslavia, the United Arab Republic, and Indonesia managed to bring together 25 nations, all of which could subscribe with more or less enthusiasm to certain general principles. Indeed, with the single major exception of the German question, the issues tabled for discussion were cut and dried, the resolutions ultimately drafted being largely predetermined by the very composition of the conference. Insistence on admission of Communist China to the United Nations as sole representative of the Chinese people, condemnation of all foreign bases—

And so forth. Bailey then writes:

If the convocation of the conference was generally a triumph of Yugoslav foreign policy, the single and most costly defeat came with Tito's failure to gain nonaligned support for the Soviet position on Germany.

In his speech, Tito called for recognition of two German states, and in closed sessions of the drafting committee, Yugoslavia, in concert with Cuba, sponsored a motion for a *de jure* recognition of East Germany. The motion was defeated by an overwhelming majority of the delegates, led by Nasser and the Arab bloc and strongly seconded by Nehru.

In other words, Tito fought a losing battle for the Soviet Union, doing his

very best to line up those countries against the United States, against the free world, against West Germany, but for East Germany, a "stooge" state; but he was opposed and defeated because Nasser and Nehru declined to be stooges of the Soviet Union. Mr. Bailey concludes as follows:

With the exception of the "troika" proposal, the host of the nonaligned nations meeting in Belgrade aligned himself and his government faithfully with the foreign policy of the Soviet Union. "It is time," said a Western observer when the conference was over, "for Western nations that support Yugoslavia economically, and particularly the United States, to decide whether Yugoslav foreign policy is what Yugoslavs claim it to be or what this disgraceful performance indicates it to be—a useful refinement of Soviet foreign policy."

It is "a useful refinement of Soviet foreign policy" in that it can blunt the reaction of neutralist countries, which normally would be on our side, when the Soviet Union does the kind of despicable thing it did in breaking the moratorium on nuclear testing.

On November 26, 1961, Paul Underwood, who is a reporter for the New York Times, and who had been stationed in Belgrade for 3½ years, wrote an article entitled "Tito's Neutral Road—Toward Moscow," which was published in the New York Times magazine. In the course of his article, Mr. Underwood wrote:

Marshal Tito has characteristically made no effort to calm the storm.

Mr. Underwood was referring to the criticism of U.S. aid to Yugoslavia, by our sending 132 fighter planes to him. Mr. Underwood wrote:

On the contrary, he has hit back, accusing the United States of attempting to use economic pressure to force him to change his foreign policy.

That is certainly a laugh. We have done anything but that. We should have used pressure to force Tito to change his foreign policy. We certainly did not.

And, if anything, he has moved even closer to Soviet positions on world issues.

In large measure—although Washington insists its review had been started beforehand—the uproar represents a not surprising reaction to President Tito's almost blanket endorsement of Soviet positions at the recent conference in Belgrade of leaders of 25 unaligned nations. It is obvious that by this stand the Yugoslav President lost heavily in his relations with the West while apparently gaining nothing from the other side.

He was willing to do that because he is a dedicated, no-holds-barred Communist, and has said so repeatedly.

Mr. Underwood, who has just returned after 3½ years in Yugoslavia, continues:

Their ability to maintain both an independent posture in the world and a rate of economic growth surpassing that of the Soviet bloc countries, is undeniably attractive to thousands of Communists in Moscow's Eastern European satellites.

To criticism from the bloc that they have become "agents of American imperialism," the Yugoslavs reply that it was simply good Marxist strategy to obtain from the West the means for transforming their country into a Communist society.

It certainly was. It was good Marxist strategy to obtain from the West—the United States—the means for transforming their country into a Communist society.

Tito and his associates can rightfully boast that in accepting aid from the West, they have never subscribed to any commitment that could curb their freedom of action.

While at home they have maintained a pragmatic approach to domestic problems, refusing to be bound by ideological positions demonstrably impractical, they have in no way diluted the Communist essence of their system. Tito has repeatedly declared: "I am a Communist and nothing but a Communist."

This statement deserves more attention than it is often given in studies of Yugoslav foreign—as well as domestic—policies. Among other things, it inescapably means that the Yugoslav chief subscribes to the Marxist theory of the inevitable decline of capitalism and the triumph of communism.

A little further in his article, Mr. Underwood writes:

But he—

Tito—

could never tolerate any course he considered counter to the eventual communization of Yugoslavia, even if desired by his people.

As a dedicated Communist, he must pursue a path that he feels will lead him to the same goal the Soviet leaders have in mind. As a disciple of Marx and Lenin, he still must see in the Soviet Union a comradely nation, mistaken perhaps, but traveling in his direction. A quarrel with the West is a quarrel with a philosophy alien to him. A quarrel with Moscow is a family fight.

Mr. Underwood, who has carefully studied the Yugoslav Government, concludes:

Tito's basic aim in his association with the nonaligned nations seems to be to form a group of Socialist-minded, essentially anti-Western supporters in preparation for Moscow's expected triumph. Such a backing might enable him to maintain a certain independence and give him continued influence even in a Soviet-dominated world.

An independent role has been, and will continue to be, the *sine qua non* of Belgrade's foreign policy. Geography, ideology and convictions as to the course of development in the world lead Tito to look to the East first in considering his moves. Whenever there are signs of increasing tension between Moscow and Peking, Belgrade's interest in better relations with the Soviet leadership grows. At such moments, Khrushchev is inclined to include Yugoslavia in the play of Communist power politics inside the bloc.

Nevertheless, it is impossible for Tito to consider actually rejoining the bloc under Moscow's terms. To do so would mean not only the loss of maneuverability but of all he has built up in the past 13 years. Yugoslavia would become only another satellite like Czechoslovakia or Hungary. For this reason, Belgrade's aim must always be to maintain a certain distance from the bloc, while supporting the general aims of its foreign policy. How far the Yugoslav leaders find themselves from the West is to them a matter of secondary importance.

Madam President, that is a study or report by an authoritative expert; and certainly Mr. Underwood, a New York Times correspondent who spent 3½ years in Belgrade, is an expert. It is clear from his article that our weakness is that until we pull the strings, until we use our great economic power, which

involves the 70 percent of Yugoslavia's trade which is with the West and the aid coming from the West, Tito will constantly use this tactic over and over again in the United Nations, throughout the world, among the neutralist nations, and among the newly emerging nations, to bring them into the Communist orbit. That is why it seems to me we ought to use all the power we have to crack down, and not be afraid to use it.

Madam President, when my amendment was being debated in the Senate, I placed in the RECORD a considerable number of quotations from an excellent article entitled "The Emerging Pattern of Yugoslav-Soviet Relations," written by Milorad M. Drachkovitch, published in *Orbis*, a quarterly journal of world affairs of the Foreign Policy Research Institute, University of Pennsylvania. The article is one which should be read carefully by Members of Congress and I hope it will be read by responsible people in the State Department. It is an expert, thorough, well-balanced, scholarly study. There is nothing polemic about it. It is not intended to destroy Tito, but is simply a presentation of the facts in as objective a way as possible. I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE EMERGING PATTERN OF YUGOSLAV SOVIET RELATIONS

(By Milorad M. Drachkovitch)

Marshal Tito's crassly unneutral behavior at last September's conclave of non-aligned nations in Belgrade revived briefly the great debate in this country over the propriety and wisdom of U.S. policies vis-à-vis Yugoslavia. According to all outward signs, the disappointment expressed in official U.S. circles over Tito's actions has not been translated into any official policy changes. Nonetheless, the Belgrade Conference offers a timely opportunity for a general evaluation of the strange phenomenon of Titoist foreign policy, particularly Yugoslavia's relations with Moscow.

To compress into a necessarily brief analysis all the relevant facts concerning the various distinct phases of Communist Yugoslavia's foreign affairs is, of course, impossible. Instead, it might be appropriate to filter at least the fundamental facts through the net of three conditioning factors. The first one affects the power considerations of the present rulers of Yugoslavia; the second touches upon their ideological vistas; the third bears upon the personality of Tito himself. These three factors are interwoven. And, in both internal and external policies of today's Yugoslavia, they reflect the interests and ideas of probably one of the most unique and tightly knit parties in the history of the world Communist movement.

During the initial postwar period (1945-48), the above-mentioned trinity of factors which has been shaping Yugoslavia's foreign policy represented a harmonious whole. Intoxicated by the extraordinary good fortune which within a span of 3 years had promoted a small group of professional revolutionaries to total masters of the country, it was but logical that the Communist Party of Yugoslavia should look beyond the borders of the small country. It came to regard itself as an advanced part of the emerging Communist bloc, duty-bound to encourage Communist dynamism everywhere. The behavior of the CPY was in

complete accord with the prevailing ideology of undiluted Marxist-Leninist internationalism in Stalinist acceptance. And there was Tito, symbol of victory, who openly aspired to identify his name and that of his party with wider plans of a Balkan and southeast European federalization.

It is generally conceded that it was mainly this early dynamism of Tito's Yugoslavia which triggered Stalin's suspicion and ire. He decided to temper the zeal of his ambitious satrap and to leash him tightly to Moscow's policies. If during the euphoria of victory Stalin was willing to forget Tito's leftist disobedience of the years 1942-43, he was not ready after war to tolerate again Tito's proclivity to "outdo the Pope in his Catholicism." Yugoslav intransigence over Trieste, the shooting down of American airplanes followed by an arrogant speech by Tito, the sermonizing of French and Italian Communist leaders on the occasion of the establishment of the Cominform that they should have done the moment the war ended what the Yugoslav Communists did in Yugoslavia, the undissimulated support given to Greek Communist guerrillas combined with scornful attacks against the "monarcho-Fascist" regime in Athens, and finally, the intensive diplomatic activity in Belgrade addressed to the creation of a Yugoslav-Bulgarian federation as the first step toward further integration in that part of Europe—all these initiatives must have greatly disturbed the aging dictator in the Kremlin. As Ernst Halperin has observed: "Stalin was not willing to go in for an adventure to the advantage of another country, even a Communist ally such as Yugoslavia."

TITO'S 1950 SHIFT

After the spectacular excommunication of the CPY from the Cominform, Tito's foreign policy for about 2 years wavered in a state of painful schizophrenia. Although their resistance to Moscow was motivated by the strictly unideological desires to remain alive and maintain their positions of power, the Yugoslav leaders certainly were at loss, at least initially, to find ideological justification for their unprecedented act of disobedience. Tito himself, either sincerely or in a gesture of showmanship, told his closest friends in the Politbureau that he was ready to step down if they deemed this in their collective interest. They asked him to remain adamant and continue to lead the party. It should be stressed, however, that Tito's position during the break was strengthened considerably by the incredibly arrogant, preposterous, and humiliating arguments used in the Cominform's act of supreme indictment. And immediately afterward (most conspicuously on the occasion of Rajk's trial in Budapest), Stalin's clumsy inclusion among the irredeemable sinners of practically all Yugoslav Communist cadres—the former volunteers in the Spanish civil war and subsequent partisan leaders in Yugoslavia—helped Tito tremendously to enlist their support by appealing to their instinct of self-preservation and injured partisan cult and solidarity.

The exclusion from the Communist family was not followed immediately by a change of Yugoslavia's foreign political orientation. For over a year, the CPY sought vainly to work out some form of reconciliation with Stalin on the premise that he would recognize the excommunication as a "monstrous misunderstanding." During this time, Tito's foreign policy continued to be as sharply anti-Western and pro-Soviet as it had been prior to June 1948. Yet a need for reorientation was urgently felt.

The real political shift in Tito's line came in 1950. The reasons for it were twofold and in both instances imperative. On the one hand, the economic situation in Yugoslavia, closed to the West and now practically strangled by the East through abrogation of all trade agreements, ap-

proached catastrophe. On the other hand, Communist aggression in Korea served as a warning to Yugoslav leaders that their increasingly hostile Eastern neighbors could one day receive similar orders for a proxy thrust. There was only one shield against both dangers: the United States. As it had done through UNRRA after the war, the United States could pour new millions into a moribund socialist economy to save it from ruin; and by repeating the determination which it had displayed in Korea, it could deter Stalin from engaging in a military vendetta in the Balkans.

When Tito and his retinue realized, no doubt to their amazement, that America was not only willing to help, but that the aid would come without political strings attached, they were ready to switch their foreign policy onto an entirely new track. This move was hardly surprising; given the tenacity with which Tito's group clung to their positions of power, a rapprochement with the United States was the only alternative open to them. Moreover, the first measures of economic "destalinization," introduced in 1950, served as the ideological screen for the adopted shift. Eleven years, before Stalin's embalmed remains were evicted from Red Square, Tito laid claim to a genuine Marxist-Leninist escutcheon, unsullied by Stalin's "revisionism."

THE THREE PILLARS OF YUGOSLAV RESISTANCE

The climax of anti-Sovietism came on the occasion of the Sixth Congress of the CPY, held in November 1952. It was as if all the participants in the Congress vied with each other to see who could denounce most violently not only Stalin himself, but the entire system which he had erected in the U.S.S.R. In his general report, Tito attacked every aspect of Soviet policies, both foreign and domestic. He accused the Soviet Union of having transformed the "once independent eastern states into mere colonies in the heart of Europe"; he placed full responsibility upon the U.S.S.R. for having "pushed northern Korea into an aggressive war"; he advocated the "revision of the imperialist partition of Polish and German territories in favor of the U.S.S.R."; and he bewailed the fact that some of the non-Russian nations were "erased from the earth's surface, through the most cruel methods of which Hitler himself would have been envious."

Even more significant were similar outbursts in Edvard Kardelj's report on foreign political problems. Two points merit special mention. First, Kardelj urged that "Germany should be reunified on the basis of genuine free elections in both zones." This would lead to an "independent and equal Germany, including Germany's right to rearm within the limits of necessity to defend her independence." Secondly, Kardelj's denunciation of Soviet imperialism contained a hint that Yugoslavia might adhere to an anti-Soviet defense pact: "Through capitulation or empty pacifist phraseology one cannot secure peace. We desire to avoid, as long as it is possible, a direct engagement in the existing regional pacts. It is clear, however, that such an attitude of ours could not be maintained if the world's situation would continue further to deteriorate and if the danger for our independence would become acute." A sentence in the Congress' final resolution emphasized dramatically the fact that all bridges to Moscow had been burned: "Characteristic of today's international situation is the role of the Soviet Union as a new aggressive imperialist power which aspires to achieve world hegemony."

These virulent anti-Soviet pronouncements mirrored clearly the extent to which the Yugoslav rulers felt themselves threatened by their eastern neighbors. At the same time, however, their indictment of Stalin was paired with attacks on Western



reaction and protestations of Marxist-Leninist orthodoxy. Mika Tripalo, head of the "People's Youth," boasted that in Yugoslavia "for the first time in human history the genial ideas of the teachers of scientific socialism, Marx, Engels, and Lenin, were realized." Similarly, Tito explained that in defending Yugoslav socialism "our Party made possible further development of the revolutionary thought in the world." The emotional highlight of the Congress came during Milovan Djilas' inflammatory speech celebrating the anniversary of the October Revolution. Amid wild applause, Djilas exclaimed: "If the spirit of the October Revolution, if the genial thoughts of Marx, Engels, and Lenin are strangled in the Soviet Union by the bureaucratic counterrevolution and by falsifiers of Marxism, socialism and the October Revolution, that spirit and that thought have emerged, under different conditions and different forms, in a new life-giving radiance in our country. The spirit of October, the thought of Marx, Engels, and Lenin live and create in the intrepid, revolutionary, proletarian, plebeian personality of Comrade Tito."

At that moment—as during the entire period from 1948 to 1953 in general—Stalin's threat produced the same cohesive effect on a large majority of Yugoslav Communists as did their earlier Stalinist fervor. Preservation at any cost of their power in Yugoslavia, psychological intoxication with the self-made myth that they were the only genuine Marxist-Leninists and, finally, Tito's "cult of personality" as a central rallying point of Yugoslav "protestantism"—these were the three pillars of CPY's resistance to Moscow.

#### THE SPIRIT OF BELGRADE

As long as Stalin lived, Tito's foreign policy was essentially defensive: he undertook nothing that might give the master of the Kremlin a pretext for armed intervention. At the same time, parallel with Tito's estrangement from Moscow and the loosening of economic controls, the regime in Yugoslavia relaxed its totalitarian pressure.

Stalin's death, the liquidation of Beria and the "new course" inaugurated under Malenkov and Khrushchev heralded a change in the Kremlin's attitude toward Belgrade. Tito's signing, on August 4, 1954, of a treaty of alliance, political cooperation and mutual assistance with Greece and Turkey, with its clear security commitment, apparently precipitated a major decision in Moscow to seek a rapprochement with the regime which Stalin failed to destroy. New and politically more sober Kremlin heads wanted to correct Stalin's blunder. Moreover, they recognized the validity of Tito's claim that, despite all that had passed, he did not betray the Communist cause. They were even prepared to don sackcloth to persuade the "heretic" to return to the fold. Tito, delighted by the turn of events in Russia, thought that the moment of "rehabilitation" was approaching. He set out to dictate the terms of a reconciliation with Moscow which would not jeopardize the vitally needed Western aid and military protection.

Khrushchev's trip to Belgrade in May 1955 and the joint Soviet-Yugoslav declaration of June 2 indeed gave every reason for Tito's satisfaction. A paragraph in the resolution sounded like a triumph of a basic Titoist conception of the relationship between socialist states: "Compliance with the principle of mutual respect for, and noninterference in, internal affairs for any reason whatsoever, whether of an economic, political, or ideological nature, because questions of internal organization, or difference in social systems and of different forms of socialist development, are solely the concern of the individual countries." Moreover, Tito either was not asked or else had succeeded in skirting the thorny question of his formal reentry into the Communist bloc. In any

event, after the meeting with Khrushchev he became a convinced, and to many listeners around the world a convincing, proponent of the thesis that the Soviet system was undergoing fundamental change and that Nikita Khrushchev was the champion of the liberal wing of the CPSU. His enthusiasm waxed with Khrushchev's anti-Stalin blasts at the 20th congress of the CPSU. The dissolution of the Cominform in April 1956 seemed additional proof of Khrushchev's willingness to dismantle a major barrier on the road to Belgrade. The Tito-Khrushchev embrace became crushing in June 1956 when a triumphant Tito toured the Soviet Union. The man who only recently had been branded in the Soviet Union as the most infamous traitor of socialism was now given a hero's welcome. The country and its regime which in November 1952 had been barraged by Tito's maledictions was once again treated as a faithful ally. "Yugoslavia," Tito exclaimed in a speech made in Stalingrad on June 11, 1956, "in time of war as well as in time of peace, marches shoulder to shoulder with the Soviet people toward the same goal—victory of socialism."

In that summer of 1956, Tito seemed to have reached the pinnacle of his career: no power, either in the West or in the East, wanted his overthrow; his basic domestic and foreign political conceptions—decentralization at home and Communist pluriformity abroad—were either practiced or recognized by Moscow itself; his was again an illustrious name on the Communist roster, cleansed by communism's "high priests" themselves of the stigma of treason. Titoism, indeed, seemed to have become a "pattern for international communism."

#### TITO'S AMBITIONS AND THE HUNGARIAN REVOLT

It seemed obvious during the 1955-56 honeymoon between Belgrade and Moscow that Tito's ambition was to offer Yugoslavia's experience as a blue print for the destalinization of the satellites.

This ambition was not unrealistic. The Yugoslav example appealed strongly to many Communist leaders within the bloc: Yugoslavia did not suffer under the physical presence of the Red army; its Communist Party still enjoyed a full monopoly of power but was free to experiment and thus improve the country's economy; and it received huge sums in Western aid with no political concession requested in return. The allure was strengthened by the uncertainties and vacillations of the post-Stalin leadership in Moscow.

The explosions of 1956 proved dramatically, however, that Titoism was not exportable. Tito had no desire to dismantle the Communist regimes; he wanted only to reform them in order to render them more popular and efficient. In spite of this and to his avowed dismay, the Hungarian revolution spiraled dangerously beyond the safety level. The revolt, if successful, would have engulfed not only the satellite empire, but quite conceivably the regime in Yugoslavia as well. And beyond Hungary and Poland, the majority of other satellite governments were in the hands of unrepentant Stalinists, clearly unwilling to fall in step with the *bête noire* of yesterday.

The Hungarian earthquake inevitably tore fissures in the incipient Moscow-Belgrade axis, if for no other reason than Khrushchev's need of a scapegoat for his own failures. The revolt also brought into bold relief a basic consideration in Tito's attitude toward Moscow. In his Pula speech of November 11, 1956, Tito criticized the first but justified the second Soviet military intervention in Hungary. He was against Soviet interference so long as a Communist regime was master of the local situation. He favored Soviet military involvement when the local party's power threatened to crumble.

A series of important concessions to Khrushchev during the summer and fall of 1957

(acknowledged by Tito himself in his article in the October 1957 issue of *Foreign Affairs*) was aimed at procuring for Tito a place of equality at the roundtable of the polycentric Communist system championed by him. His plans, however, were thwarted by Mao Tse-tung's intransigence in Moscow: the Chinese Communist leadership was resolutely opposed to any further sharing of the reins over the bloc. Finding himself thus barred from the inner sanctum of Communist leadership, Tito decided not to submit unconditionally to the binding rigors of a centralized Communist discipline. For this reason, he did not personally attend the conclave of Communist parties in Moscow in November 1957; nor did the CPY sign the Declaration of 12 Communist parties in power. But Tito did instruct his representatives, Kardelj and Rankovic, to affix their signatures to the manifesto of the 64 Communist parties of the entire world which, in the words of the *New York Times*, "endorsed every major foreign policy proposal of the Soviet Union." As before, domestic power considerations dictated to Tito not to rejoin the Communist bloc. Ideological and personal reasons, however, prompted him to insist, as always, that Yugoslavia belonged to the Communist "world."

#### KHRUSHCHEV'S FLEXIBLE APPROACH

The second Soviet-Yugoslav dispute flared on the occasion of the Seventh Congress of the League of the Communists of Yugoslavia (LCY), held in April 1958. Its main detonator was the program adopted by the Congress.

The new dispute, however, evolved quite differently from the quarrel of 1948. While the Chinese and Albanian attacks on LCY's out-and-out revisionist program sounded like Stalin at his vitriolic best, the Soviet attitude was markedly reserved. In three of his important speeches of 1958—at the Seventh Congress of the Bulgarian Communist Party on June 3, at the Fifth Congress of the Socialist Unity Party of Germany on July 11, and while sharing the rostrum in Lenin's Central Stadium in Moscow with Wladyslaw Gomulka on November 10—Khrushchev outlined several guidelines in his own approach to Tito's Yugoslavia. Contrary to Stalin's all-out attack and severance of all ties with Belgrade, Khrushchev advocated the development of normal, even intensive, relations with Yugoslavia on the level of intergovernmental dealings. He expressed also a belief that "as Communists we would like to reach mutual understanding and cooperation on the party level." He conceded, significantly, that the Yugoslav Communists displayed "great merits in the struggle against our common class enemies," and he hoped that "despite the present circumstances we shall continue to wage a joint struggle against these enemies in the future as well, and shall defend peace and socialism together." At the same time, however, he declared that the "clearly schismatic and revisionist line" of Yugoslav Communists will call for a continuous "irreconcilable ideological struggle," but tempered this battle call with the advice that "we should not devote greater attention to the Yugoslav revisionists than they actually deserve."

These ambiguities underscored once again Khrushchev's resilient policy toward his obstreperous Yugoslav comrades. He wanted to be able, simultaneously or alternately, to collaborate with them, to criticize them, to compliment them, and to ignore them, retaining always the initiative in using any one of these stick-and-carrot tactics. This manifold and flexible treatment of Titoism, characteristic in general of Khrushchev's political gamesmanship, implied a "maximum" and "minimum" target. At best Tito or his successors should be lured, again and again, to reenter the bloc and renounce their claim to ideological and operational independence. In this connection leaders and

members of the League of the Communists of Yugoslavia should be constantly reminded (as purposefully stressed in the draft-program of the CPSU submitted to its 22d Congress) that it is theoretically untenable, economically harmful and politically dangerous to attempt to build socialism in isolation from the world Socialist system.

At the same time these pressures and attacks should be treated as "family quarrels," to be terminated if and when the prodigal sons returned to the fold. But should these tactics fail, one should keep Tito isolated while ignoring the achievements of his regime. Such quarantine tactics should, furthermore, turn Titoism from a liability into an asset. By blocking the impact of Titoism on Communist Eastern Europe, its irrepressible dynamism would inevitably be turned on the non-Communist world of underdeveloped nations, thus indirectly advancing Moscow's aim of rolling back the West's political and economic stakes and strategic deployment.

Most important perhaps in this Machiavellian program, laid down in 1958 but projected well into the future, was the change in the role of the chief actor, Khrushchev himself. He was in 1958, and has been increasingly since, quite a different man from the rather ridiculous solicitor of Tito who, in May of 1955, made that absurd and abject speech at the Belgrade airport. The new Khrushchev was a post-Hungary, post-antiparty purge, postspunknik man, brimming with self-confidence and convinced that he had found not only the way to deal with Tito, but with the whole range of problems confronting the expansion of communism.

#### YUGOSLAVIA'S MEASURED DEFENSE

Frustrated in his efforts to have the principle of the Belgrade declaration of June 1955 accepted as a pattern for interstate as well as interparty Communist relations, Tito braced himself for a new wave of attacks and a new phase of isolation. His hopes that the liberal Khrushchev and "hundred-flowers" Mao would recognize him as equal partner in shaping the destinies of a polycentric Communist system were still-born. Bombarded with similar accusations as in 1948, the Yugoslav Communists adopted a similar defense and counterattack. On the one hand, they refuted the charges hurled against them, branding them as an "unprincipled campaign against Socialist Yugoslavia." On the other hand, they offered to the world their own program, boasting proudly that this, in Tito's words, "document of historical importance" was destined to be a major contribution to original and creative Marxist-Leninist thought.

The same claim to genuine Marxism which Djilas had articulated in November 1952 was now pressed by Tito. In his Labin speech, on June 15, 1958, he remarked bitterly: "It appears to us that history bestowed on us this hard road to preserve the development of socialism from degeneration."

From that time on until the publication of the draft program of the CPSU, which contained several passages of direct or veiled criticism of Yugoslav revisionism, the ideological quarrel flared sporadically, with varying degrees of intensity. In the unfolding of the three-cornered—Soviet, Chinese, and Yugoslav—dispute over Communist orthodoxy, the Yugoslav Communists invariably attuned their answers to the pitch of the attacks made upon them. To the violent Chinese or Albanian diatribes they retorted without sparing venom. When replying to criticism from Moscow or other satellites, they usually avoided abusive words and couched their arguments with extreme care. The common theme in all of these was that their unwillingness to yield to the censors was due only to their own ideological unimpeachability. This was succinctly stated by Edvard Kardelj in his book

on "Socialism and War," published in 1960. The distinctive features of this book were the indictment of Chinese "Stalinism," a considerable degree of acceptance of Soviet views, and a self-righteous insistence on being the closest to an authentic Marxist interpretation of world problems.

Other moves by Yugoslavia indicate Tito's responsive reactions to Khrushchev's initiatives. Particularly since the second half of 1959, Yugoslavia has strengthened political, economic and cultural ties with other Communist countries, except China and Albania. This—in the Communist jargon—"normalization of relations" on the state level is manifested by intensive exchanges of delegations of practically every kind, by an increase in trade with countries of the Warsaw bloc (representing in mid-1961 about 27 percent of Yugoslavia's foreign trade), and by long-term economic agreements with the majority of the East European countries.

Finally, the pattern of Yugoslav-Soviet relations emerges most clearly in Tito's actions and rationalizations in foreign affairs—a topic which calls for more lingering scrutiny.

#### THE SUBTLE GAME WITH KHRUSHCHEV

Despite the deterioration of the interparty ties with the CPSU following the November 1957 Moscow meeting, the orientation of Yugoslavia's foreign policy continued to new significance to the Soviet Union's foreign political course. To be sure, Tito's report to the Seventh Congress of the LCY, held in April 1958, scored the division of the world into two military blocs, both of which he claimed Yugoslavia would refuse to join. Beyond this declaration of formal neutrality, however, the speech brimmed with indictments of NATO and U.S. policies and approvals of Soviet actions. Indeed, the report constituted a complete retraction of Tito's statements at the sixth congress of his party 5½ years earlier.

Once again the West was the villain. According to Tito, its powerful reactionary circles were toying with the idea of a crusade against communism. He charged that Western powers forged NATO not only to resist Stalin's rigid and needlessly aggressive foreign policy, but also as an instrument for world domination, thus provoking the formation of the "defensive" Warsaw Pact. Tensions in the cold war, claimed Tito, were sharpened by the Western trade embargo against Socialist countries. He accused the West of drawing a strategic noose around the U.S.S.R. and other Eastern countries, and of heavy-footed interference in the internal affairs of the people's democracies engaged in building a new Socialist order. Tito rejected emphatically any thought of joining the Atlantic Pact or any other European agreement of a "bloc" nature, and stressed that the "military side of the Balkan Pact has gotten a secondary character."

The key remark in Tito's report was that, since June 1955, "Yugoslavia was not threatened any more by an aggression" and that the relations with the U.S.S.R. and other countries of people's democracy (they were never again called Soviet "satellites") were continuously improving. In other words, unlike Stalin, Khrushchev was not challenging the position of Yugoslavia's rulers; therefore, the latter were willing, despite all ideological disagreements with the CPSU, to endorse the main tenets of Soviet foreign policy. In the subtle games they were playing with Khrushchev, this was a concession to temper any annoyance by Moscow at their refusal to rejoin the bloc.

The same motive, to be undisturbed at home while retaining full freedom of action, emerged starkly in the new LCY's program of 1958. The two concepts stressed in the program's chapters on "Foreign Policy of Socialist Yugoslavia" and on the "Struggle for Socialism Under New Conditions" were active coexistence and proletarian internationalism.

The program stipulated that "the policy of active coexistence should rest on respect of independence, sovereignty, equality, territorial integrity and noninterference in the internal affairs of other countries." This enumeration, an echo of the 1955 Belgrade declaration, was obviously intended as a reminder to the Soviet leaders that they themselves had approved Yugoslavia's right to develop her own form of socialism. The idea of "proletarian internationalism" was opposed to any notion of "national communism" (twice explicitly rejected in the program) and served to indicate that Yugoslav Communists were faithful believers of the Marxist-Leninist credo that "humanity was moving deep into the era of socialism," as stated in the program. They were ready to lend a militant hand to encourage this process.

These basic tenets—pleading innocence to the Kremlin's charges of ideological deviation, but echoing substantially Moscow's foreign political line—have characterized Yugoslavia's attitude toward Moscow in the past 3 years. Practically every Tito speech on foreign affairs during this period (in particular his address before the General Assembly of the United Nations in New York on September 22, 1960, and again before the Yugoslav Parliament on December 26) contained homilies on the virtues of peaceful coexistence and the evils of the division of the world into two military camps, while leaning heavily toward Moscow when discussing the issues of the day. His embrace of the Soviet position was never warmer than in his speech before the Belgrade Conference of nonaligned nations on September 3, 1961.

He endorsed Khrushchev's proposal on general disarmament and derided the U.S. fetish of controls and inspections. He expressed understanding of the reasons invoked by the Soviet Government in resuming atomic tests in the atmosphere (chiding the Soviets only for timing the tests with the start of the conference). He endorsed the thesis of two German states, one of which was acquiring a "more and more outspokenly new social character" while the other featured "a typical capitalist social system pregnant with interwoven remnants of Fascist and revenge conceptions and tendencies." He explained that some people in the West were opposed to the principle of peaceful coexistence for they were afraid that in peaceful competition with the Socialist system, capitalism would not fare well. He asked finally for the modification of the role of the Secretary General of the United Nations, suggesting that he be downgraded to a simple "administrative functionary of the U.N. without independent political competency."

The remainder of the speech was devoted to strictures on neocolonialism, including sharp criticism of U.S. policies in Latin America and praise for the unanimous resistance of the Cuban people against the aggressive intervention of the preceding April. Since anticolonialism represents one of the cornerstones of Tito's foreign policy, it calls for closer examination.

#### TITO'S BLOC BUILDING

In December of 1954, Tito started on a month's visit to two Asian countries, Burma and India. Exactly 4 years later he repeated this journey, broadening it this time, however, to include in addition to the above two countries Ceylon, Ethiopia, Sudan and the United Arab Republic. His most recent trip, early in 1961, was to eight African countries (Ghana, Togo, Liberia, Guinea, Mali, Morocco, Tunisia, and again the United Arab Republic).

Ever since his first journey, Tito has been busily engaged in building an informal but active bloc of nonaligned countries. In his official pronouncements he has suggested that these nonaligned countries should refuse



stalwartly to join any of the existing military blocs and decline to take any part in the global cold war. Thus, although militarily and economically weak, they would be in a position to exert strong pressure on the leaders of the two antagonistic blocs, urging them to preserve peace by disarming and to convert their huge military budgets to peaceful means of economic development throughout the world. These are, on the surface, noble goals. However, they assume a different hue when examined against the background of Titoist ideology as well as Yugoslavia's stand on world issues.

As regards ideology, the 1958 program of the LCY had clearly stated that "in the underdeveloped countries just liberated from colonial oppression, tendencies and possibilities exist for bypassing certain phases of capitalist development and immediately passing onto the construction of the economic foundations of the development of socialism." By the same token, the principle of active coexistence, as applied to these countries, had only one precise meaning: to broaden the basis of the struggle against imperialism and colonialism.

These passages are important because they identify anticolonialism with the ultimate victory of socialism, i.e. communism, and because they clearly reflect the belief that Titoism represents for these countries a most suitable blueprint for achieving socialism. A host of actions by Belgrade corroborates these points: the publication of the LCY program in 26 foreign editions, including a Spanish one in Chile, an Indonesian in Djakarta, a Burmese in Rangoon and an Indian in New Delhi; Tito's speech at Bandung University on December 26, 1958; another speech in Belgrade on April 27, 1961, after his return from Africa; tireless efforts to achieve closest connections of every kind with the underdeveloped countries (this being one of the most important tasks of the Socialist Alliance of the Working People of Yugoslavia, alias Popular Front); unconditional support given to any anticolonial movement in the world; the investment of over \$5 million to organize the Belgrade conference. All this speaks for Tito's ambition to offer his doctrine, system and leadership to the emerging third world.

These feverish activities by a small country in vast and remote regions of the world do not suggest that Tito works in a planned and concerted partnership with the Soviet Union to promote the spread of communism. As Zbigniew Brzezinski has correctly pointed out: "The conflict between the traditional Soviet dichotomous image of the world and the Yugoslav version of an interrelated, worldwide, and largely organic development toward socialism was not resolved." Quite likely, moreover, the Soviet leaders watch with mixed feelings Tito's close friendship with countries on which they themselves would prefer to have a more direct influence.

#### YUGOSLAV-SOVIET RELATIONS

Nonetheless, despite the heretic label affixed upon it by the Communist bloc, Titoism promotes Soviet interests in the third world—if not directly then at least indirectly—by inspiring and supporting attitudes in these countries detrimental to the basic interests of the West. First of all, as George Bailey has described it in the Reporter: "The fitting of the Marxist formula onto the natural anticolonial reaction is the greatest service the Yugoslav regime has made to the Communist cause." Secondly, Tito's public statements and behind-the-scene politicking at the Belgrade conference confirmed once more that he is doing his utmost to align the nonaligned behind Soviet foreign policy objectives. Even should he not succeed in this endeavor, however, his anti-imperialist harangues and the support he tenders to radical revolutionary movements in the developing areas helps to

undermine Western positions and creates effective roadblocks to the kind of cooperative ventures envisaged in the U.S. Alliance for Progress program. One of the ironic paradoxes of our time is that at least part of the generous economic assistance given by the United States to Yugoslavia as a calculated gamble to weaken the Communist bloc is used by Tito to undermine Western power and influence in the grey zones of southeast Asia, Africa, and, less directly, Latin America.

If we go a step further and try to adduce the reasons for Tito's insistence on the closest ties with the nonaligned, we come again face to face with the aforementioned trinity of factors shaping Yugoslav foreign policy. In the first place, intimacy with the world's neutrals—whom the Soviet Union also woos actively—offers to the Communist rulers of Yugoslavia a supplementary guarantee that the U.S.S.R. will refrain from any openly aggressive act against them. Secondly, the spread of Titoism in the underdeveloped countries compensates for the lack of access to the Communist bloc and provides the LCY with the psychological palliative of participating actively in the irrepressible march toward communism. Finally, for Tito's inflated ego, even an informal co-leadership of the shapeless third bloc compensates to some extent for the grandiose dreams thwarted by Stalin, Mao, and Khrushchev. Barred from the Moscow inner sanctum, Tito can look to impressionable audiences between Djakarta and Accra to applaud his actions and provide fulfillment for his self-arrogated mission: the struggle for communism as he himself has shaped it since 1950 and now offers it magnanimously to the world.

#### THE FUTURE WITH OR WITHOUT TITO

It might be appropriate to conclude this analysis with a few remarks about the probable future course of Titoist foreign policy. As long as Tito lives and continues to wield undisputed leadership over his party, it is unlikely that Yugoslavia will openly and officially reenter the Soviet bloc: if nothing else, the twin fears of falling into a new Soviet trap and of forfeiting American aid will continue to guide the actions of Yugoslavia's present rulers. At the same time, they will most certainly maintain their support of Moscow's foreign policy, waxing even more benevolent as Khrushchev acts tougher but does not threaten them directly. They will also tend to draw closer to the Kremlin to the extent that relations between Moscow and Peking continue to deteriorate. The support of Moscow's policies will not, however, be total—if for no other reason than Tito's need to preserve token credentials of independence when asking for American assistance.

The entire bent of Tito's policy, however, will be put to the test when Yugoslavia's master leaves the scene. Already today Yugoslavia is feeling the pinch of isolation between the two European blocs which, under their respective auspices, are moving ever more rapidly toward closer integration. Moreover, the experiments of economic decentralization will probably come under fire from powerful elements, not only within the LCY rank-and-file but also in its central committee, who favor a much tighter control over the economy along with much closer ties with the U.S.S.R. It is possible that Tito's gestures at the Belgrade conference were intended as a sop to these "neo-communist" elements. In any event, once Tito's unifying leadership has been removed, these forces would certainly make a concerted bid for power, but in so doing would meet with resistance both inside the LCY and in the country at large.

Conceivably, Tito's individual or collective heirs might succeed in continuing his line. But it is by no means fantastic to assume that a grave crisis might follow the dictator's death, affording to both the U.S.S.R. and the

U.S. multiple opportunities to exert a decisive influence upon the future of Yugoslavia and, through it, upon broader areas of the globe.

Mr. PROXMIRE. Madam President, I ask unanimous consent to have printed at this point in the RECORD the article written by Paul Underwood, to which I have previously referred, entitled "Tito's Neutral Road—Toward Moscow," and also the article entitled "They Call Themselves Neutrals," written by George Bailey, and published in Reporter magazine.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times magazine, Nov. 26, 1961]

#### TITO'S NEUTRAL ROAD—TOWARD MOSCOW

(By Paul Underwood)

BELGRADE.—Thirteen years and \$2 billion worth of American aid after Yugoslavia broke away from the Soviet bloc, the role of President Tito and his unique Communist regime is under fire throughout the Western World.

Critics accuse him of deliberately helping the Soviet Union. The projected sale of 130 jet fighter planes to him has roused a storm of objections in the United States. The State Department is weighing decisions on Yugoslav aid applications pending a review of Yugoslav-United States relations.

In Western Europe, similar studies are underway that could radically change the complexion of Yugoslav relations with that part of the world.

Marshal Tito characteristically has made no effort to calm the storm. On the contrary, he has hit back, accusing the United States of attempting to use economic pressure to force him to change his foreign policy. And, if anything he has moved even closer to Soviet positions on world issues.

In large measure—although Washington insists its review had been started beforehand—the uproar represents a not surprising reaction to President Tito's almost blanket endorsement of Soviet positions at the recent conference in Belgrade of leaders of 25 unaligned nations. It is obvious that by this stand the Yugoslav president lost heavily in his relations with the West while apparently gaining nothing from the other side. At the subsequent congress of the Soviet Communist Party—the results of which Tito described as of great significance for "the further movement toward a truly democratic and progressive development" throughout the world as well as in the Soviet Union—Premier Khrushchev repaid him by once again branding Yugoslav revisionism as the greatest single danger within the international Communist movement.

What factors led the Yugoslav chief to take up this position? The answer undoubtedly lies in the character of Marshal Tito, in his conception of the world and of Yugoslavia's place in it, and in the development of the unusual system known as Titoism.

There is little in the man that fits the ordinary conception of a Communist dictator. He is a dignified, charming person who wins over visitors whatever their political leanings. He has an easy laugh, a clear, ruddy complexion usually bronzed from the sun and wind. Although 69 years old, he could easily pass for 10 years younger.

He can be frighteningly angry—at such times, his face freezes into a stony mask and his aids, uncommonly hushed, step a pace or two back. But usually in public he is the dignified, smiling father of his people.

Tito's dominance of the Yugoslav scene is unchallenged. No one who has spent more than a few days in the country can doubt that he is the absolute boss. Smiling portraits, frowning portraits, tight-lipped and

determined portraits stare down from the walls of every public building, store, restaurant, bar, and coffee house.

His army of 30 divisions—the largest single land force in Europe except for the Soviet Union—is garrisoned in every corner of the country. The highly efficient Ministry of the Interior has thousands of UDBA (Bureau of State Security) agents monitoring telephone calls, listening in coffee houses, and checking suspicious movements. Only one political force exists in the country, the Communist Party, and the men who sit on its politburo are the men who run the show. Any hint of organized opposition is stepped on immediately.

These are familiar features of any Communist dictatorship. More interesting are the things about Tito's Yugoslavia that set it apart from other Communist countries. Both official and social relations with foreigners are permitted. Thousands of non-official Yugoslavs travel abroad, the vast majority to the West, and return. Newspapers from Western Europe and the United States are on sale in the major cities. There is no jamming of foreign broadcasts.

Forcible collectivization of farmland was stopped in 1953, and more than 90 percent of the nation's agricultural surface is privately owned. Although the official goal is still a completely socialized agriculture, regime spokesmen insist the only pressure toward that end will be the economic force of the market, driving the least efficient to the wall. The fact that the legal limitation of individual landholdings to 25 acres or less and that the high cost to the individual farmer of fertilizer and equipment are speeding that process only slightly tarnishes the gleam on Belgrade's unorthodoxy.

There is no insistence on Socialist realism. Modern artists and writers whose names are anathema in Moscow are honored in Belgrade, and all of the "isms" that proliferate in the art world have their followers in Yugoslavia.

Probably the most significant of the Titoist innovations has been the series of changes in the economic sphere that have given the Yugoslavs an impressive degree of genuine economic democracy—decentralization of planning and authority, the establishment of workers' councils to run the nation's enterprises, acknowledgment of the law of supply and demand and the desirability of competition.

Along with these have come ever increasing economic ties with the West. In recent years, the Yugoslavs have enjoyed one of the highest rates of economic growth in the world and a rise in living standards surpassing any of their Communist-ruled neighbors.

All of these novelties have contributed toward the establishment of an atmosphere so different from other Communist capitals that an elderly Bulgarian, permitted to leave his homeland last year for the first time since 1945, burst into tears on a Belgrade square, exclaiming: "How wonderful again to see people who are free."

None of this could be without the blessing of Tito, who was born Josip Broz, of Croatian Catholic parents in the village of Kumrovac, near Zagreb, on May 25, 1892. The name Tito, a common one in his locality, he adopted afterward as a cover during his colorful career in Communist conspiracy and revolution. Eight of his 14 brothers and sisters died in infancy. The other members of the poor peasant family had a hard life.

The future Yugoslav chief was trained as a locksmith and became a metalworker. At the outbreak of World War I, he was drafted into a Croatian regiment in the Austrian Army. Sent to the Russian front, he was wounded and captured by czarist forces. Imprisoned for organizing protests against the treatment of war captives, he was sent to Siberia, only to be released by the Bolsheviks during the 1917 revolution.

He remained in Russia long enough to see the triumph of the revolution and to marry a Russian girl, the first of his three wives.

The young revolutionary returned to Yugoslavia and promptly joined the then-illegal Communist Party. His rise was steady, despite several years in prison for illegal activity. In 1934, he was elected to the party Politburo and sent to Moscow, where he worked in the Balkan section of the Comintern, the old headquarters of the international Communist movement. On his return to Yugoslavia 2 years later, he reorganized his own party, and 1938 took over its leadership.

The story of the bloody fight waged by partisan forces against both the Axis invaders and internal enemies during World War II is known the world around. In the immediate postwar years, Tito and his aids were Moscow's most loyal supporters, self-willed prisoners of the Soviet conception of a Marxist state.

The development of Yugoslavia's individual approach came only after Belgrade's quarrel with Stalin and the 1948 expulsion of Yugoslavia from the Cominform. The central issue beyond doubt was the continuance in power of Tito and the men around him, who owed Stalin nothing, having fought and won both their own civil war as well as the battle against the Axis.

Although shaken by the clash, Tito in no way lost his faith in Marxism, and he and his aids came slowly to the belief that the internal difficulties they were experiencing were due not to Marxism itself but to what they came to view as the anti-Marxist policies of Stalin's Soviet Union.

With the dawn of this conception, and buoyed up by Western support, Belgrade's leaders began their search for a satisfactory blueprint for the Marxist state they envisioned. The system they developed has borrowed ideas and methods from capitalism, but it is a mistake to think, as many people in the West seem to, that the Yugoslavs are moving away from communism.

Belgrade sees these borrowed ideas and methods simply as tools equally adaptable to any social or economic system, and requiring the sacrifice of none of the basic tenets of Marxism.

Nevertheless, the Yugoslavs have been and continue to be a disturbing element in international communism. Their ability to maintain both an independent posture in the world and a rate of economic growth surpassing that of the Soviet bloc countries is undeniably attractive to thousands of Communists in Moscow's Eastern European satellites.

To criticism from the bloc that they have become "agents of American imperialism," the Yugoslavs reply that it was simply good Marxist strategy to obtain from the West the means for transforming their country into a Communist society. Tito and his associates can rightfully boast that in accepting aid from the West they have never subscribed to any commitment that could curb their freedom of action.

While at home they have maintained a pragmatic approach to domestic problems, refusing to be bound by ideological positions demonstrably impractical, they have in no way diluted the Communist essence of their system. Tito has repeatedly declared: "I am a Communist and nothing but a Communist."

This statement deserves more attention than it is often given in studies of Yugoslav foreign—as well as domestic—policies. Among other things, it inescapably means that the Yugoslav chief subscribes to the Marxist theory of the inevitable decline of capitalism and the triumph of communism.

He argues with the Kremlin on several important points; for instance, he contends that Socialist forms are now evolving within capitalist societies and can gain victory there

without violence—a contradiction of the orthodox view. Nevertheless, he told a recent interviewer that although the Soviet Union and Yugoslavia differed as to methods their basic aims were identical.

This is in reality an oversimplification of his position. Tito has consistently maintained there could be no single pattern for socialism; that, as a result of differing internal conditions, nations must take different paths to the common goal.

In the difficult years after the break with the Cominform the Yugoslav leaders awoke to the fact that their continued rule was dependent on the feeling of their own people, on the popularity of the regime they constructed. They had to build what was, in effect, a purely Yugoslav approach to socialism that would appeal to the people, non-Communists as well as Communists, and to their national spirit.

This fact explains in part the comparatively liberal course of Yugoslav communism during the past 13 years—a more rigid rule would court the danger of internal revolt. But a complete explanation also entails a recognition of the role Tito's own philosophy played in that development.

The Yugoslav President is not a great theorist. He is primarily a man of action, concerned with practical ways to achieve his aims. His conversion to communism was probably more an emotional experience than an intellectual process. Speaking once of his years in Russia during the revolution, he said the scene "created in my mind a really immense enthusiasm that I can never forget."

His lack of concern for rigid doctrine has enabled him to maintain a more human approach to his people than perhaps any other Communist leader. He insists that a "Socialist society must be built for the welfare of man and not for something abstract. Humanism in the true sense of the word is essential to socialism."

Tito once told an interviewer who asked him about great men that a man was "great for his surroundings if he is able to understand well the aspirations of his people and to direct his activity so as to satisfy the desires of his people."

Up to a point, he would fit his own definition of "greatness"; to the majority of Yugoslavs he is the embodiment of their nation. But he could never tolerate any course he considered counter to the eventual communization of Yugoslavia, even if desired by his people.

As a dedicated Communist, he must pursue a path that he feels will lead him to the same goal the Soviet leaders have in mind. As a disciple of Marx and Lenin, he still must see in the Soviet Union a comradely nation, mistaken perhaps, but traveling in his direction. A quarrel with the West is a quarrel with a philosophy alien to him. A quarrel with Moscow is a family fight.

Since 1948, Tito's main foreign policy concern has been to broaden its base and prevent the possible isolation of Yugoslavia. His efforts can be divided into three distinct periods.

The first, the years immediately following 1948, saw a close association with the West, because of the need for defense against the threats and military maneuvers of neighboring Communist states. This was the period of the Balkan Pact with Greece and Turkey, an alliance that associated Yugoslavia, at least loosely, with the North Atlantic Treaty Organization.

The second period followed the death of Stalin and the 1955 visit of Mr. Khrushchev to Belgrade to make a public avowal of Yugoslavia's right to differ from the bloc. Tito then shifted the weight of his attention and sought to create a base of support within the bloc. This effort collapsed in the wake of the 1956 upheavals in Eastern Europe



and the Yugoslav refusal to sign the 1957 Moscow declaration of common policy with the bloc.

Sometime during this period, Tito apparently came to two conclusions that still influence his assessment of the world situation. The first was that the West was rapidly losing the cold war and that the expected collapse of capitalism was much more immediate than it had appeared a few years before.

The second was that the Soviet Union under Mr. Khrushchev was an entirely different thing from what it had been under Stalin, and that he might be able to reach an accommodation even with a triumphant Kremlin, provided Yugoslavia could muster proper support in the world.

These conclusions set the stage for the third phase of Tito's post-1948 policy. Rebuffed by the East and unwilling to turn to the alien—and doomed—West, he began his search for friends among the new countries of Asia and Africa. In doing so, however, he did not renounce all hope of influence within Eastern Europe, the area of his abiding concern.

Belgrade's drive for influence and support among the Asians and Africans has been successful, on the whole; whether it represents a setback or an advance in the Communist penetration of these countries is moot. The Chinese Communists ridicule association with such bourgeois nationalists as Nasser and Sukarno but Moscow shows signs of being impressed with Belgrade's success.

In conversations with westerners, Yugoslavs assert that their activities in the underdeveloped countries actually help the West because they keep the Africans and Asians out of the Soviet camp. Inherent in this argument is the assumption that there is no other choice—that all the emerging nations must of necessity turn to the left.

The Yugoslavs deny any desire to export their own system but they obviously are doing their best to encourage Socialist tendencies among their underdeveloped friends. The exact degree of their influence on these countries is difficult to assess. Certainly the larger ones, like Egypt and India, determine their policies on the basis of their own needs, without regard to Belgrade. But some of the smaller and less experienced ones may actually be swayed by Yugoslav arguments.

Tito's basic aim in his association with the nonaligned nations seems to be to form a group of Socialist-minded, essentially anti-Western supporters in preparation for Moscow's expected triumph. Such a backing might enable him to maintain a certain independence and give him continued influence even in a Soviet-dominated world.

An independent role has been, and will continue to be, the *sine qua non* of Belgrade's foreign policy. Geography, ideology, and convictions as to the course of development in the world lead Tito to look to the East first in considering his moves. Whenever there are signs of increasing tension between Moscow and Peking, Belgrade's interest in better relations with the Soviet leadership grows. At such moments, Khrushchev is inclined to include Yugoslavia in the play of Communist power politics inside the bloc.

Nevertheless, it is impossible for Tito to consider actually rejoining the bloc under Moscow's terms. To do so would mean not only the loss of maneuverability but of all he has built up in the past 13 years. Yugoslavia would become only another satellite like Czechoslovakia or Hungary. For this reason, Belgrade's aim must always be to maintain a certain distance from the bloc, while supporting the general aims of its foreign policy. How far the Yugoslav leaders find themselves from the West is to them a matter of secondary importance.

[From the Reporter, Sept. 28, 1961]

THEY CALL THEMSELVES NEUTRALS

(By George Bailey)

BELGRADE.—In what has been wryly described as the first free discussion the Yugoslav Parliament had seen since 1928, President Marshal Josip Broz Tito, addressing the "neutralist summit conference" here, praised East Germany as a state of "pronounced social character in all spheres of social life" and damned West Germany as a "restored . . . typically capitalist social system, fraught and interwoven with remnants of fascist and revanchist conceptions and tendencies, which give cause for grave concern." He also said that since the time Nikita Khrushchev submitted his proposal on general disarmament to the United Nations the question had not moved one step further. And he accused the West of blocking "real" disarmament by making "a fetish" out of the question of controls.

The effect of the speech was immediate and electric. It appalled many of the delegates, surprised even Tito's friends, and prompted one of his Asian guests to characterize it as the "outpouring of an oaf." As one observer put it: "Tito has had the gall to damn out of hand the only legitimate and duly elected government in Germany and praise the most stinking political phenomenon that exists in the world today."

But the West received one important consolation prize, the Yugoslav performance at the Belgrade Conference provided answers to some longstanding questions about Yugoslav foreign policy in the last 8 years.

#### TITO'S HIGH HOPES

The Conference of Nonaligned States that ran from September 1 into the small hours of September 6 in Belgrade was the culmination of several years of spadework by the Yugoslav Government and the fruition of pilgrimages to Africa and southeast Asia by Marshal Tito. The idea of the Conference was conceived as a result of the plenary session of the United Nations in New York last September, when Communist leaders assembled to present a united front against the West and the neutral countries found themselves unprepared and in confusion. The idea was developed and given form by Marshal Tito during his tour of Africa last winter.

But in a larger sense the Conference was the result of the direction taken by the Yugoslav Government 10 years ago to find a way out of its ideological isolation after the break with Stalin and its refusal to join forces with social democratic countries and parties of the West. A "campaign to the south" was undertaken, as one observer put it, as a way of demonstrating Marxist respectability without joining the Soviet Union and its bloc. It was more than this. It was an attempt to demonstrate Marxist legitimacy. In this connection Yugoslavia has seen its role as that of front runner, trailblazer for the sort of communism it hoped would evolve in the Soviet Union as a result of the succession of the "liberal" Khrushchev. "Yugoslav policy," said a Belgrade official several years ago, "is what Soviet policy ought to be."

Indeed, Khrushchev has been the great hope of the Yugoslav regime ever since he emerged victorious from the post-Stalin power struggle and went to Canossa. When Nikita Sergeyevich stood at the Zemun Airport near Belgrade in 1955 and forthrightly admitted "We made a mistake," it was the moment Yugoslav Communists had longed for. They had asserted themselves and their course, and brought the mighty Soviet Union around. Despite all the setbacks they have suffered since then; the Yugoslavs have never lost hope. Their optimism has survived even the experience of being singled out for condemnation by Khrushchev in his draft

program of the Soviet Communist Party released on July 30. Indeed, the more truculent Soviet policy became, the more desperately and energetically Yugoslavs defended Khrushchev as a victim of Stalinists at home and Chinese Communists abroad. This tendency was reduced to absurdity at the Belgrade Conference. They took the Soviet decision to resume nuclear testing as proof that Khrushchev was in the clutches of Stalinists and proclaimed that only the West could save the enlightened Khrushchev, by acceding to Soviet demands.

However, the Yugoslavs hopes in Khrushchev were not all illusory. They gained a compromise victory when the Soviet Union agreed to restore normal diplomatic relations. But there was one piece missing: relations on the government level could not be fully regularized within the Soviet bloc until Yugoslavia had also established diplomatic relations with the German Democratic Republic. And here was a situation in which it seemed that Yugoslavia could render great service to the Soviet Union and the bloc. For by using the international prestige it had acquired in its fight against Stalin, Yugoslavia's act of recognizing East Germany could be expected to work as a catalyst, inducing other countries to follow its example and consolidate the Soviet military gains in eastern Europe. But the Yugoslavs were woefully mistaken: not one country followed when they recognized East Germany in October 1957. They were also terribly disappointed: West Germany countered by invoking its Hallstein Act—relations from countries that recognize East Germany.

From the first, Yugoslavia's association with East Germany has brought it almost nothing but trouble. The highly Stalinist regime of Walter Ulbricht has always been deeply suspicious of Titoism. Yugoslav diplomats, trade officials, and correspondents assigned to East Germany have been consistently isolated, badgered, and even manhandled. Few if any have tried to conceal their distaste for the small clique of slow-witted fanatics who run the country. Worst of all, as a political entity, East Germany has been the object of the greatest demonstration of popular revulsion in European history; the flight of four and a half million East German refugees over a 16-year period that ended only when the regime declared martial law and sealed the borders tight. More than all other Communists, Yugoslavs have been aware of the unviability of Ulbricht's regime. This has led Yugoslav officialdom to a striking discrepancy between government policy and private political views. "It is true," said a Yugoslav official in Belgrade to me, "that our government is still in the hands of the high command of the partisan movement that fought against the Germans in the Second World War. Naturally they all have a violent hatred of Germany. Official Yugoslav policy toward Germany will not change until the partisan commanders have died out."

Recently, however, the discrepancy between official and private views has been stretched to the breaking point—especially since the Communists have sealed off East Berlin and a full-blown world crisis over Berlin and Germany has developed. Moreover, Yugoslavs attribute the Soviet decision to resume nuclear testing primarily to the German problem. Tito's dogged support of the pistol-whipping policy of the Soviet Union on Germany has thrown his own party into disarray. For the first time in my experience Yugoslav officials are taking explicit exception to the marshal's actions. "I have always been against the recognition of East Germany," said one during the conference. "The East German regime is impossible and has catered to the worst elements of the population for support. It is rotten to the core."

## A DOUBLE STANDARD

The failure of the conference to generate more than token indignation at the Soviet announcement of the decision to resume nuclear testing on the eve of its opening was a signal Soviet triumph and Western defeat at Belgrade. True, Lebanese and Yemenite delegates were "pained" at the event; a Moroccan expressed his "serious concern." Nasser, Makarios, and Nkrumah were "shocked." The most outspoken delegate was Nehru, who stated that the world situation had become "much more dangerous" as a result of the Soviet action. But it was Tito who made the most revealing statement. He could fully understand the reasons, he said, that had led Moscow to take the step. What did surprise him was the announcement of the Soviet decision on the eve of the conference. (Significantly, this statement was omitted from published texts of Tito's speech.)

"Apart from a certain element of pique," commented one Yugoslav official, "Tito's statement merely expresses an objective Marxist point of view." This is true. The marshal's specific reference to the Soviet announcement is complemented by a later passage in which he stated, "Some [people] \* \* \* in the West are aware of the fact that should the principle of peaceful and active co-existence be adopted in international relations, then—in peaceful competition with the socialist system—the capitalist system would not fare well." This generally Marxist and specifically Soviet tenet blurs conveniently with the anticolonialist conviction expressed over and over again by various delegates that colonial powers will defend their interests and investments in current or former colonies by force of arms if necessary. The fitting of the Marxist formula onto the natural anticolonial reaction is the greatest service the Yugoslav regime has made to the Communist cause. It renders the original sins of armament and even armed intervention defensive. This is why the Conference's reaction to the Soviet decision to resume nuclear testing was so weak and why if the United States instead of the Soviet Union had violated the moratorium on testing, the reaction would have been incomparably more violent. "Why, they'd have torn down the American Embassy," said one observer.

Another result of the same cause was the condemnation of the European Economic Community as an economic arm of Western imperialism. This was specifically stated by delegates from Sudan and Guinea and hinted at by Tito, although the marshal included the Organization for Economic Cooperation and Development and the Soviet Council of Economic Mutual Assistance in the same bag. The final resolution on this head, however, was watered down to a mere mention of "politics of pressure in the economic sphere, as well as harmful results which may be created by economic blocs of industrial countries."

## A BLOC THAT'S NOT A BLOC

In trying to form a bloc inherently not a bloc—a grouping of neutralist, nonaligned, anticolonial, and underdeveloped nations—Yugoslavia was obliged to deal with a welter of particularist tendencies and interests. This became evident in the involved struggle over the choice of participants in the conference. Each area group (Arabic, African, Asian, Latin American) objected to most, if not all, of the candidates proposed for attendance by others. A number of nations (particularly in Latin America and Europe) excluded themselves, not wishing to lend substance to the tirades of Cuba's radicals by their presence. Thus, by what amounted to a selection by a process of elimination, Yugoslavia, the United Arab Republic, and Indonesia managed to bring together 25 nations, all of which could sub-

scribe with more or less enthusiasm to certain general principles. Indeed, with the single major exception of the German question, the issues tabled for discussion were cut and dried, the resolutions ultimately drafted being largely predetermined by the very composition of the conference. Insistence on admission of Communist China to the United Nations as sole representative of the Chinese people, condemnation of all foreign bases, support of the Algerian provisional government, the demand for immediate termination of all colonial occupation, and condemnation of racism were hardly surprises.

If the convocation of the conference was generally a triumph of Yugoslav foreign policy, the single and most costly defeat came with Tito's failure to gain nonaligned support for the Soviet position on Germany. This was the issue that revealed the widest discrepancy. The resolution meagerly states that the German question is not merely a regional problem but is liable to exercise decisive influence on the course of future developments in international relations, and it calls upon all parties concerned not to resort to or threaten the use of force. In his speech, Tito called for recognition of two German states, and in closed sessions of the drafting committee, Yugoslavia, in concert with Cuba, sponsored a motion for de jure recognition of East Germany. The motion was defeated by an overwhelming majority of delegates, led by Nasser and the Arab bloc and strongly seconded by Nehru. Not even a mention of de facto recognition of East Germany made its way into the resolution.

Nasser's reasons for opposing the motion so sharply were various. The United Arab Republic had just received a grant in aid from West Germany of 1 billion marks. On the other hand, of 23 factories constructed in Egypt by East Germany, 17 have proved to be of inferior quality, plagued by equipment breakdowns, with little or no hope of receiving spare parts. But it was not primarily the shadow of the Hallstein Act that prompted Nasser to oppose East German recognition. The Arabs' refusal to recognize the partition of Palestine and the State of Israel was also an important factor. This consideration found its expression in the 10th resolution, declaring support for full restoration of all rights of the Arab people in Palestine. Nasser's motion to have Israel expressly condemned as a "bridgehead of imperialism and capitalism" was opposed by Nehru and Tito and defeated.

Generally, opposition to the recognition of East Germany sprang from the allegiance to the principle of self-determination which was one of the main themes of the conference. Its application to the German question was studiously avoided by the Yugoslavs, but it was mentioned specifically by Cyrille Adoula, the Congolese premier, in his dramatic appearance on the last day of the conference.

It was Adoula, too, who most effectively stated the grounds for opposition to the Soviet troika proposal for the United Nations Secretariat. Adducing the Congolese experience as proof, he added: "In fact, the veto of one member of the triumvirate would have blocked any practical decision and rendered the executive of the organization totally ineffective."

With the exception of the troika proposal, the host of the nonaligned nations meeting in Belgrade aligned himself and his government faithfully with the foreign policy of the Soviet Union. "It is time," said a western observer when the conference was over, "for western nations that support Yugoslavia economically, and particularly the United States, to decide whether Yugoslav foreign policy is what Yugoslavs claim it to be or what this disgraceful performance indicates it to be—a useful refinement of Soviet foreign policy."

Mr. PROXMIRE. Mr. President, on June 1 of this year Life magazine published an editorial which reads in part as follows:

Well, Djilas is fighting in his own way; let's help him. We not only helped Tito but saved him from political and personal extinction when Stalin threw him out of the Communist camp in 1948. Life has supported aid to Yugoslavia in the past on grounds that any such ruckus was good for our side. Sound as this rationale may have been in 1948, it is no longer valid, although aid proponents argue that, despite Tito's new coziness with Moscow, he has achieved a degree of independence worth cultivating.

U.S. aid to Tito now has passed the \$2 billion mark, including 50,000 bales of surplus cotton agreed upon since Djilas was jailed. All of our aid has not caused Tito to side with the United States against Khrushchev on any recent foreign policy question; it did not make him denounce Soviet nuclear testing; it has been used by Tito to aggrandize his personal prestige as "king of the neutrals"; and in the past year \$80 million of it has been audaciously earmarked in credits to other countries.

Despite Washington's past reluctance to use foreign aid as a political weapon, it should be so used—especially in cases like Tito's. Under the circumstances, the United States should stop aiding and abetting the Tito regime. This would clarify our position as the protagonist of political freedom throughout the world. It would also help the people of Yugoslavia to clarify their minds on fundamental issues.

Mr. President, I ask unanimous consent that the full Life editorial entitled "It Is High Time To Blow the Whistle on Tito" be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IT IS HIGH TIME TO BLOW THE WHISTLE ON  
TITO

The question of what the United States should do about aid to Yugoslavia, which rolls along at \$100 million a year, comes up again this week with the visit of Foreign Secretary Popovic to Washington. It should be reviewed in the light of what Tito has just done to Milovan Djilas, once a chief aid and now a voice too honest for Tito's nerves to stand. What Tito does to Djilas is usually a barometer of which way Tito is looking, and since he is clearly looking eastward right now, Djilas has gone back to jail for the crime of having written another frank book.

Let's take a look at the chronology of Djilas' ups and downs. He fought with Tito against the Nazis. He turned in his Communist card in 1954. He was jailed by Tito for denouncing the Soviet outrage in Hungary in 1956. In prison he finished his famous "The New Class," a devastating indictment of communism's self-perpetuating oligarchy, and his sentence was increased from 3 to 9 years.

His release on parole in January 1961 followed an extension of \$300 million in United States aid and coincided with the experimental liberalization of Yugoslavia toward a westernized market economy. The experiment flopped because of inept management, overspending, and a bad drought. On April 7 of this year it was announced that the experiment was over and economic controls by old-style apparatchiks were back in fashion.

That same day Djilas was rearrested. He had used his brief freedom to write a slight but remarkable memoir, "Conversations With Stalin," published last week in the United States. When the Belgrade authorities learned of the book they charged him with betraying state secrets and gave him another



8 years and 9 months. The charge was absurd, since much of the book's substance appears in Tito's own memoirs. There is no state secret in Djilas' characterization of Stalin as a man who joined "the criminal senselessness of a Caligula with the refinement of a Borgia and the brutality of a Czar Ivan the Terrible." (Tito and Khrushchev have both said as much.) Djilas does exhume, in gossipy but vivid language, the grotesque atmosphere of Stalin's court, a neoczarist spectacle of fawning servitors, conscienceless cruelty and pure bacchanalia—no state secret here either.

Tito is now anxious to be friendly with Moscow. Khrushchev sent Gromyko to Yugoslavia and then he and Gromyko both visited Bulgaria, where Khrushchev went out of his way to praise Yugoslavia as one of the Communist "democratic countries."

The explanation for Tito's atrocious treatment of Djilas, and Khrushchev's apparent satisfaction about it, lies in Djilas' argument that Stalin's death didn't change anything. He says the essence of communism's problem is not whether one group of leaders is better than another but "whether, at least as a beginning, the ideological and political monopoly of a single group in the U.S.S.R. shall be ended." Should it be ended in Yugoslavia too? Djilas' implied answer is clearly yes, since he concludes, in a memorable sentence: "Those who wish to live and survive in a world different from the one Stalin created, and which in essence and in full force still exists, must fight."

Well, Djilas is fighting in his own way; let's help him. We not only helped Tito but saved him from political and personal extinction when Stalin threw him out of the Communist camp in 1948. Life has supported aid to Yugoslavia in the past on grounds that any such ruckus was good for our side. Sound as this rationale may have been in 1948, it is no longer valid, although aid proponents argue that, despite Tito's new coziness with Moscow, he has achieved a degree of independence worth cultivating.

U.S. aid to Tito now has passed the \$2 billion mark, including 50,000 bales of surplus cotton agreed upon since Djilas was jailed. All of our aid has not caused Tito to side with the United States against Khrushchev on any recent foreign policy question; it did not make him denounce Soviet nuclear testing; it has been used by Tito to aggrandize his personal prestige as "king of the neutrals"; and in the past year \$80 million of it has been audaciously earmarked in credits to other countries.

Despite Washington's past reluctance to use foreign aid as a political weapon, it should be so used—especially in cases like Tito's. Under the circumstances, the United States should stop aiding and abetting the Tito regime. This would clarify our position as the protagonist of political freedom throughout the world. It would also help the people of Yugoslavia to clarify their minds on fundamental issues.

Mr. PROXMIER. Mr. President, many persons have interpreted this fight as perhaps one between liberalism and conservatism. I would welcome a fight on the ground of liberalism, because I think the liberal position is always in favor of extending freedom in the world. But I think all of us recognize Tito as one who has ruthlessly suppressed freedom in Yugoslavia; and just as it was a serious mistake for the United States to give aid to Batista, it is an equally great mistake for the United States to give aid to Tito. After all, our aid to Batista was one of the main reasons behind the bitter feelings of the Cuban people toward the United States and the success of Castro. Anyone who has read the fervent pleas

by outstanding Cuban statesmen against our giving aid to the Government of Cuba at that time will recognize that that is so. However, today the same plea is made in favor of aid from the United States to Tito. But such aid does not really help the people of Yugoslavia. Instead, it hurts them. Yugoslavia has common boundaries with Italy, Greece, and Austria, which are free countries. There is no reason why Yugoslavia should not be free, except that Tito is a Communist, and insists on keeping Yugoslavia Communist and alining it over and over and over again with communism.

Under the circumstances, it seems softheaded for us to continue to give aid to Tito—whether it be aid under Public Law 480, which we are still giving, or aid, which we have suspended. Under the circumstances, I believe we should consider favorably the proposal to terminate our most-favored-nation position toward Yugoslavia, because our action in terminating aid is the only kind of muscle which will persuade Tito, realist that he is, to give us assistance, instead of making trouble in the world.

Finally, Mr. President, I point out that an article published in Newsweek magazine refers to the jailing by Tito of Milovan Djilas, and the article quotes from the concluding part of Djilas' book, as follows:

"From the point of view of humanity and freedom," Djilas concludes, "history knows no more total, more brutal, more cynical despot \* \* \*. [But] in the history of communism, Stalin, together with Lenin, is its most grandiose figure." And such critics as Nikita S. Khrushchev, Djilas indicates in a judgment that may have caused his arrest, cannot condemn Stalinism without condemning communism. "In many ways they are continuing his work and carry the same qualities within themselves."

Mr. President, it is difficult for me to express my position, because I have respect and admiration for the State Department, which has a very difficult job, and also is a constant target for brickbats. Everyone in the country regards himself as an expert on foreign policy, and thinks he can find reasons for disagreeing with our Secretary of State. He carries a very heavy burden; and I wish to make clear that in no way should anything I have said be construed as a reflection on his integrity or his ability, or as a reflection on the splendid job he has been doing in many areas of the world. But I have a very deep and very profound and very emphatic difference in regard to this particular policy; and this statement by me constitutes a plea to the State Department that in considering the whole policy of aid to Communist countries, it does its best to forget the past, and not feel that it has a vested interest in the past and that it must defend what has been done in the past, but instead, that it look at this situation de novo, and recognize that Tito has changed, and that the best way for us to support freedom in the world, including freedom for all those behind the Iron Curtain who want our help, is to be tough minded and hard-headed and realistic and be willing to bargain effectively.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. PELL in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, before my good friend, the Senator from Wisconsin [Mr. PROXMIER], leaves the Chamber, I shall mention one or two things.

There is no particular argument about the nature of the Yugoslav and Polish regimes to which we are, our country, giving aid, because I believe it fair to say that all of us recognize that those countries are Communist countries. My point is that Poland, although she has a Communist government and is within the Warsaw Pact, and therefore is even more strictly under the control of the Kremlin than Yugoslavia is, and although Yugoslavia, which has a Communist government, is out of the Warsaw Pact, yet, despite those differences, both of them are Communist countries.

The Senator from Wisconsin said that I pointed out that whatever Tito may be, he is a nationalist. But if the Senator will examine my statement carefully, I believe he will find that prior to saying that, I said Tito is a Communist, and is head of the Yugoslav Communist League, and keeps Yugoslavia there, and has control of Yugoslavia; and then I said that whatever else Tito may be, he is a nationalist. And that is true. After all, Tito has some notions of his own, and the Serbs, Croats, Slovenes, and Montenegrins—all peoples inhabiting Yugoslavia—are some of the most fiercely nationalistic elements in the fiercely nationalistic Balkans.

Tito would like to have a sort of international Communist force of which he would be the leader. That is one of the differences between Mr. Tito and Mr. Khrushchev. I believe it is fair to say that Mr. Khrushchev has been wooing Mr. Tito primarily because Tito has shown an independence due to his ability to rely upon the West for trade and aid.

The Senator from Minnesota had one point to make; namely, that he thought this President, and this administration, dealing with the very difficult and complex problems of our relations with other countries, even with our NATO allies, as well as countries behind the Iron Curtain, should have at least as much discretion as was permitted his predecessors.

Our relations with Yugoslavia and Poland are not much different than they were 2 or 3 years ago. When I examine the record of the few past years, as the Senator has pointed out, I find that over \$2 billion worth of aid was given to Yugoslavia. About \$690 million was for military aid, which ceased in 1957. A large block of the aid was for food. I think there was at least \$500 or \$600 million in economic aid. All of the \$2 billion was under previous authority and

was supported by the Senator from Wisconsin, as it was by the Senator from Minnesota.

Mr. PROXMIRE. Mr. President, will the Senator yield on that point?

Mr. HUMPHREY. I yield.

Mr. PROXMIRE. In the first place, the first full year I was in the Senate, 1958, I offered an amendment to eliminate aid to Yugoslavia. It is true that I supported the foreign aid bill, and that included legislation that enabled the President by technical construction of language to give aid to Yugoslavia. But at every opportunity I have moved to eliminate aid to Yugoslavia—and I have had two such opportunities in the past.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. PROXMIRE. Let me complete this thought. This time I also supported the Lausche amendment because my views had changed with regard to aid to Communist countries. They have changed sharply. They have changed particularly in view of the very drastic developments in the world of the past few months, particularly with the great Communist food shortage. We must recognize that fact. That is the reason why I felt we should give no aid to Yugoslavia, including aid under Public Law 480, even if the President wished to do so.

Mr. HUMPHREY. On June 6, 1958, the late Senator from New Hampshire, Mr. Bridges, offered an amendment specifically to bar aid to Yugoslavia and Poland, to be effective 60 days after the enactment of the measure.

That amendment was defeated by a vote of 54 to 22. Among the 54 Senators voting to defeat the amendment, which would have specifically barred aid to Poland and Yugoslavia, was Senator HUMPHREY. I look down the line and I see the name of Senator PROXMIRE. This was a clear-cut vote—

Mr. PROXMIRE. That amendment included Poland as well as Yugoslavia.

Mr. HUMPHREY. That is correct.

Mr. PROXMIRE. I offered an amendment on Yugoslavia.

Mr. HUMPHREY. I thought the Senator was interested in barring aid to Communist countries.

Mr. PROXMIRE. No; the position of the Senator from Wisconsin is that we should condition aid to Tito on his not opposing us and on his supporting us once in a while, and that we should tie such considerations to aid.

Mr. HUMPHREY. Why not as to Gomulka?

Mr. PROXMIRE. In the particular circumstances I was convinced, having been to Poland in 1957, the year before, that aid under Public Law 480, or food aid, which we were giving at that time, was getting into the hands of the Polish people; that the Polish people had been assisted by it, and that it was necessary and desirable.

However, I have changed my mind with respect to the particular situation in Poland, because I am now convinced, on the basis of everything I have seen, that Poland is exporting food to the Soviet Union, to a very considerable extent, that the food shortages in Russia

are worse than they were before, and that the buildup of Soviet armaments required the drastic food price increase put into effect a few weeks ago. Our food export to Poland now will relieve this Soviet problem.

Mr. HUMPHREY. I respect the right of anyone to change his mind. I have done it. There may be circumstances which cause one to change his mind. I merely point out that in 1958 there was an amendment to bar aid to those two countries, one of them, namely, Poland, being in the Warsaw pact, and the other, namely, Yugoslavia, being outside the Warsaw pact. In 1958 this amendment was giving Mr. Khrushchev cold sweats. I do not think there was any doubt about it.

We talk about \$2 billion worth of aid to Yugoslavia. That aid has not been in the year 1962. It was spread over many previous years, and only minimal aid is scheduled for Yugoslavia in the coming year.

I see present in the Chamber now the Senator from Tennessee [Mr. GORE], who pointed out to the Senate, in a telling and devastating argument, the degree of independence which the Yugoslav representatives have on occasion displayed in the United Nations and elsewhere.

Mr. GORE. On important occasions.

Mr. HUMPHREY. Yes; on important occasions.

I do not want to make it appear that Yugoslavia is our ally. She is not. Yugoslavia is Communist. She is not an ally of the West. She has developed her own brand of national communism. Mr. Tito has caused us all kinds of trouble.

Our purpose in aiding Yugoslavia in the past, if there was any justification for it—and President Eisenhower thought there was; John Foster Dulles thought there was; President Truman thought there was; Dean Acheson thought there was; Christian Herter thought there was a reason to aid these countries in the past—was on the basis that the monolithic structure of the Communist system had been fractured; that Yugoslavia, at least, had been broken off, and that it was in our national interest to keep her out of the Soviet bloc.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I repeat that there were no ands, ifs, or buts about the vote on June 6, 1958. That was a clear-cut vote on an amendment in which Senator Bridges said there would be no more aid to Yugoslavia and/or Poland 60 days after the enactment of the measure. That amendment was defeated. The Senator from Minnesota voted against it. The now Vice President, at that time majority leader, LYNDON JOHNSON, voted against the amendment. The Senator from Wisconsin showed his good judgment and voted against the amendment.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. PROXMIRE. The fact is that the Lausche amendment carried overwhelmingly, with a small minority voting against it. So the Senator from Wisconsin is not alone. I am sure the

Senator from Minnesota will find that many Senators have changed their minds.

Mr. HUMPHREY. I do not deny that they changed their minds.

Mr. PROXMIRE. This is one of the great weaknesses the Congress has shown in the past. The whole thrust of my argument is that people should be willing to change their minds when the facts change, and they have changed. They have changed drastically with regard to Poland as well as Yugoslavia. The Senator from Wisconsin has made that clear. The Senator from Wisconsin voted against the amendment served years ago when it was coupled with Poland. Now the situation is changed, so I have changed my mind. I wish the Senator from Minnesota would change his mind. I think we must recognize that any aid we give to Poland goes to Russia now at a time when this kind of aid is needed in Russia.

Mr. HUMPHREY. The Senator must have changed his mind within 12 hours, because it was only 12 hours between the time of the vote on the Lausche amendment and the time the Senate reversed its position.

Mr. PROXMIRE. I say to the Senator from Minnesota that I did not change my mind in that regard within 12 hours or 12 days. The Senator is completely wrong on that point. I voted consistently with the Senator from Ohio [Mr. LAUSCHE]. I did not change my position on that. Other Senators did, but I did not.

Incidentally Life magazine announced on June 1 that it was changing its mind on aid to Tito. That change took place June 1, 1962, this year.

I have changed my position particularly since the Belgrade conference last September, not with regard to aid to Yugoslavia. I always opposed that, but with regard to Presidential discretion, I previously thought he should have it. This year in light of developments, I do not. I did not change my mind, however, with respect to the Lausche amendment at all from one day to the next, though I recognize a great many Senators did.

Mr. HUMPHREY. Mr. Tito is a Communist. He has not been as closely aligned with the Soviet Union in the past 12 or 14 years as some of the other Iron Curtain countries have been.

Mr. Gomulka is a Communist. He is a friend of Mr. Khrushchev.

What interested me was that the Senate would bar any kind of aid to Yugoslavia, yet, in some way or other, it would not find Mr. Gomulka to be a Communist to whom aid should be barred. I submit, if we are to draw this line we should draw it for all of them. We have rejected that proposition time after time. In this respect, at least, the Senate has been consistent.

I should like to make some remarks concerning the Bush amendment of 1961. That was agreed to in 1961, on August 17. That was not long ago. At that time Mr. Khrushchev was saying about the same things he is now saying. So was Mr. Tito. So was Mr. Gomulka.

The distinguished Senator from Connecticut [Mr. DODD] offered an amend-



ment which would have barred aid to members of the Sino-Soviet bloc, and listed the countries by name: Albania, Bulgaria, Communist China, Cuba, Czechoslovakia, East Germany, Hungary, North Korea, North Vietnam, Outer Mongolia, Poland, Rumania, and the Union of Soviet Socialist Republics.

That was the Dodd amendment. The Senator from Connecticut [Mr. BUSH] modified that amendment with a substitute to bar aid to the government of any country under the terms of the act unless the President determined that the country was not dominated or controlled by the international Communist movement. That has been the traditional amendment used in the Mutual Security Acts since 1952, or perhaps even before then.

On that kind of proposal, the President is given some leeway. The President is given some flexibility.

The vote for the Bush amendment was 61 in favor and 34 against. The Bush amendment struck out the specific reference to the countries and gave to the President the leeway which some of us thought he ought to have.

On that vote I am happy to say that the Senator from Minnesota [Mr. HUMPHREY] and the Senator from Wisconsin [Mr. PROXMIRE] both supported the Bush amendment. That was August 17, 1961.

That, I add, was at the very same time Mr. Tito and others were "kicking up their heels," as they do regularly, about the U.S. policy.

Mr. PROXMIRE. What was the date, again?

Mr. HUMPHREY. August 17, 1961.

Mr. PROXMIRE. That was 2 weeks before the Belgrade conference.

Mr. HUMPHREY. Mr. Tito did not change at the Belgrade conference. He is pretty much the same Mr. Tito. He never kidded anybody about the fact that he was a Socialist, a Marxist, a Communist, and that the Communist League is in charge of Yugoslavia.

We do not aid Mr. Tito because we like socialism, Marxism, or communism. We have provided aid for Mr. Tito because we have felt that if we could help free Yugoslavia from the complete domination of the Soviet Union it would be in our national interest, in the interest of the NATO alliance.

The NATO countries believe that. The Supreme Command of NATO believes that. Our Greek allies believe that. Our Turkish allies believe that.

Three Presidents have believed that. I happen to feel that they have had perhaps as much good judgment as I have had. I have deferred to their judgment.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Tennessee.

Mr. GORE. The Senator has not called the roll of the dictatorships to which the United States has given aid. I have expressed my reluctance in regard to aid dictators several times; nevertheless, I have supported the program to give aid to Formosa. I know of no more repressive regime than the Chiang Kai-shek regime.

What could we say about Syngman Rhee? What could we say about President Diem in South Vietnam? I could name others. Indeed, some of the aid which is going to Latin American countries is not going to what I would call truly democratic regimes. The United States cannot be too discriminating in respect to extending aid. We extend aid for the purpose of fostering the security of the United States and the freedom of the world, and we must choose as best we can. Our choices are not always the most pleasant to make.

Mr. HUMPHREY. The Senator is quite correct. I read in the morning press an item which stated that the President had suspended the "buy American" provisions of our mutual aid act in the interest of Vietnam merely because the Government of Vietnam said, "The amount of money we are getting limits the amount of actual goods, materials, and equipment we can purchase." So, on the basis of what apparently is a need for the defense of that country, for getting the most out of the dollars, the full impact of the "buy American" provision has been suspended.

I am sorry about that, but I have determined that in many critical areas facts are not simply black and white. There are shades of gray, so to speak, as to what we should or should not do. Decisions may have to be reversed. People may be right or may be wrong, but something must be done. In those areas we must rely in large measure upon the collective judgment of the men who serve in key positions; in the Central Intelligence Agency, in the State Department, in the Defense Department, in the Executive Office, in the National Security Council, and in the Foreign Service. All of those are headed up by the President. They are integral elements of the executive branch.

I think it is fair to say that many of us at times disagree with actions taken by the President. I remember that the Senate rallied to support President Eisenhower during the Middle East crisis, in 1956 and 1957. The President asked Congress for \$300 million in funds, and though many of us had doubts about it we said, we will reconcile those doubts in favor of the Executive. Thus was born the so-called Eisenhower doctrine.

Let me say, in respect to the amendment which I have mentioned, the Bush amendment, that the discussion is shown in the RECORD. Remarks were made by the Senator from Connecticut [Mr. BUSH], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Vermont [Mr. AIKEN], the Senator from Oklahoma [Mr. KERR], and the Senator from Colorado [Mr. CARROLL]. Remarks are listed on the analysis of that vote.

For example, the Senator from Colorado [Mr. CARROLL] said that the Bush amendment "provides for adequate Presidential leeway in order to achieve what all of us want done."

None of us wants aid extended to Communist countries. We do not want to provide aid to Communist countries. We wish to have a policy, if aid is extended, that it will be in our national interest. That is why we have given aid

in many parts of the world when, as we look at the individual countries, it is very difficult to understand the aid. It is often very difficult to understand it.

Many people think we have extended aid to countries which did not deserve it. I heard people ask, after World War II, "What do you mean by rebuilding Japan?"

We extended large amounts of aid to Japan. By the way, yesterday it took 2,000 police to keep 1,000 students from damaging our Embassy in Japan. One thousand students were marching on the Embassy. I do not think this incident means that we ought to disassociate ourselves from present-day Japan. I believe that Japan is friendly to the United States. I think the aid we have given has been well placed. We need Japan, and Japan—despite the snake-dancing—knows that she needs us.

International diplomacy is not a matter of lovemaking or of mutual affection. It is a matter of mutual security. It is on that basis that I believe the President was correct in asking and in urging that his hands not be tied, any more than the hands of his predecessors were tied.

Mr. GORE and Mr. PROXMIRE addressed the Chair.

Mr. HUMPHREY. I yield to the Senator from Tennessee.

Mr. PROXMIRE. Mr. President, will the Senator yield? The Senator has attacked the voting record of the Senator from Wisconsin.

Mr. HUMPHREY. I have yielded to the Senator from Tennessee.

Mr. GORE. The aid to be given to Latin American countries under the Alliance for Progress program has as a condition not that the governments to which aid is extended be democratic, economically and politically, but rather that those governments make sincere beginnings toward those goals.

The danger which America faces in the cold war is not from a repressive regime in some country in Latin America. The danger stems from the monolithic character of international communism; one-third of the world dictated to by one Communist master from the Kremlin.

The purpose of our aid throughout the years, as I understand it, under three successive administrations, has been to bring about a fracturing, a schism, a revision in this monolithic character of communism.

I hope that we succeed. I think we have succeeded modestly in the case of both Yugoslavia and Poland. May the success grow, not only there but in other places.

Mr. HUMPHREY. Now I yield to the Senator from Wisconsin.

Mr. PROXMIRE. The Senator from Minnesota has attacked the voting record of the Senator from Wisconsin.

Mr. HUMPHREY. I did not attack it; I cited it.

Mr. PROXMIRE. The Senator said that it was inconsistent. I do not know why he mentioned it unless he intended to attack it.

Mr. HUMPHREY. I did not attack the record.

Mr. PROXMIRE. It is obvious why the Senator from Minnesota has attacked my voting record. The Senator apparently brought up the record of the Senator from Wisconsin to attack it by saying it has been inconsistent. It is legitimate to do so. I am not complaining. In this sense every time anyone ever changes his mind he is inconsistent. The Senator is advocating iron changeless rigidity. I wish to answer the statement of the Senator. I want to show why the position of the Senator from Wisconsin makes sense.

In the first place, the amendment offered by the Senator from Wisconsin was an entirely different kind of amendment than any to which the Senator from Minnesota has referred, as the Senator from Minnesota will concede, I am sure. The amendments to which the Senator from Minnesota refers would provide for Presidential discretion with reference to certain specifically designated countries, including Yugoslavia. The amendment of the Senator from Wisconsin, which I have been defending today, was an amendment which would prohibit aid specifically to Yugoslavia, period.

Furthermore my amendment would prohibit economic development aid specifically to Yugoslavia. Furthermore, the Bush amendment, which the Senator has quoted, was voted upon on August 17, almost 2 weeks before the Belgrade conference.

Mr. HUMPHREY. Yes.

Mr. PROXMIRE. At that Belgrade conference Tito's position with regard to the West became demonstrably a great deal worse on issue after issue. That was 2 days after the Soviet Union resumed nuclear testing, and Tito supported the Soviet Union on that point. He denounced the disarmament proposal of the United States as being a fetish of concern with inspection and control. Tito also took a very emphatic and strong position against West Germany. He denounced West Germany as a Fascistic regime and as a regime that was typical of corrupt capitalistic states.

Mr. HUMPHREY. If the Senator is going to talk about Yugoslavia and Tito, he knows that Tito has mouthed that propaganda about West Germany ever since the end of the war.

Mr. PROXMIRE. That may be, but what was new was that Tito was trying hard to line up the neutralist states against the United States of America and the free world for the Soviet Union on the German question. He was trying hard to do so. He tried to get a resolution passed, and he was overwhelmingly defeated by the other neutralists. Tito took a position at the conference which was emphatically in favor of Castro and against us, and that was relatively new. Of course, the Castro developments were moving very fast in the direction of communism at that time.

On this exact point—that we should halt our aid to Tito in the light of what happened at the Belgrade conference—my position is fully supported by the editorial in Life magazine that I referred to. Life had previously endorsed aid to

Tito. On June 1, 1962, Life magazine changed its position on this crucial issue.

Mr. HUMPHREY. With all due respect to the Senator from Wisconsin—and to the influential editors of Life—I may say that Tito has always supported Castro. He supported Castro when the Senator voted for aid to Tito. He has not changed. He was anti-Adenauer.

Mr. PROXMIRE. The Senator could not be more wrong.

Mr. HUMPHREY. The Senator is right.

Mr. PROXMIRE. The Senator is wrong when the Senator says that the Senator from Wisconsin voted for aid to Tito at a time when Tito was supporting Castro.

The first amendment referred to by the Senator from Minnesota was considered in 1958, I believe, when Castro was obviously not in power. Batista was in power. The Senator from Wisconsin at that time was against aid to Batista for the same kind of reason that he is against aid to this other dictator.

So far as the position of the Senator from Wisconsin on the second issue, in August 1961, I point out that the Bush amendment affected not only aid to Yugoslavia but also aid to Poland and to a number of other countries. It was not merely one country that was involved. And as Life magazine pointed out, the situation has change drastically in the past year.

I should like to answer the Senator from Tennessee [Mr. GORE], if the Senator from Minnesota will permit me to do so.

Mr. HUMPHREY. I will in just a moment.

Mr. President, I do not believe that the question was whether or not we would give the President authority to aid Tito. The whole question revolved around Communist-controlled and Communist-dominated states, whether the man's name was Tito or Schmaltz. So what? The important question is, What is the nature of the government?

I say that the issue, and the only issue, is whether or not we should specifically forbid the President of the United States, under the authority of the law, to extend aid to a given country if he deems it in our national interest to do so. That is the issue. We had granted that power to the previous administration. We may have been wrong, but I point out that we granted the power.

I do not deny the right of any Senator to change his mind. But I also say that the abuses, if there were any abuses, of the program to give aid to Mr. Tito, to Mr. Gomulka or anyone else did not take place in 1961 or in 1962 any more than they took place in 1956, 1957, 1958, 1959, and 1960.

After all, the large bulk of aid to Mr. Tito was not given in the past year. He got very little in the past year, and he was going to get much less next year, if any. The bulk of the aid was given in previous years. Military aid, which was severely criticized in this body, was not renewed after 1957. It was in those years that the two Senators who are arguing here today, the Senator from Wisconsin [Mr. PROXMIRE] and the Sen-

ator from Minnesota, both voted against an amendment that would have restricted the President's authority. Both Senators voted to give the President authority to bypass or to set aside provisions of the Battle Act and other provisions of the law, which would, if fully applied, have denied aid to those Communist-dominated countries if to do so the President deemed it in the national interest. That is the issue. It is not a question of how much aid. It is a question of what kind. The question is whether or not we will circumscribe the Presidential authority now more than we did before.

We have taken such action in the Senate. We are sort of warming up old biscuits. But I wish to make quite clear that those of us who opposed the extreme—and I think it is fair to term them extreme—amendments that were offered, did not oppose them because we believed in aid to communism. We opposed them because we believed that the best way to permit a field general to operate is to let him use every means at his command to win the battle. One of the ways that has been deemed desirable, or at least useful, has been to give the President wide latitude and authority. I have said from the past voting record of my colleagues we have repeatedly turned down efforts made on the floor of the Senate by other Senators year in and year out to deny the President that flexibility.

I have mentioned the Bridges amendment, which we rejected. In 1958 that amendment was designed specifically to prevent economic aid in any form to Yugoslavia and Poland.

I mentioned the Dodd amendment, which was rejected by the substitute known as the Bush amendment. The Dodd amendment spelled out the countries that were supposed to be denied aid under the Mutual Security Act. The Senator from Wisconsin and the Senator from Minnesota voted amiably together in favor of the Bush amendment, which passed. I can state other amendments. For example, in 1961 an amendment was proposed to modify the Battle Act. The modification provided that where the President determines that economic or financial aid is important to U.S. security, the other provisions of the act will not bar assistance to any nation, except the Soviet Union and Communist-held areas in the Far East.

On that particular item I should add that the Senator from Maryland [Mr. BUTLER] made it quite clear what the issue was about. He said that if the pending bill is passed—referring to the proposed modification of the Battle Act—the President would be able to increase American aid to Poland which in turn would be able to pass along more assistance to Castro, who would in turn be able to tighten his grip on a once-free Caribbean island.

The Senator from Arkansas [Mr. FULBRIGHT] took a different point of view and supported the modification, as did the Senator from Tennessee [Mr. GORE].

I recall the visit of the former Vice President of the United States to Po-



land. On that occasion, without official notice, but only by word of mouth that an American Vice President was visiting Poland, there was an enormous outpouring of people which showed there was some hope for the Polish people. The Senator from Tennessee [Mr. GORE] said:

For that reason in the past I have voted for such bills. For that reason I expect to vote for this bill.

Then the chairman of the Committee on Foreign Relations, the Senator from Arkansas [Mr. FULBRIGHT], made a very strong statement in support of the modification, which would provide the President authority to extend economic and financial aid, if it is important to U.S. security, regardless of the provisions of the Battle Act or any other act.

How did the vote come on that issue? I am happy to say that the two Senators here today who are engaged in the debate, the Senator from Wisconsin and the Senator from Minnesota, both voted for that Presidential authority and that Presidential flexibility. I point to the vote dated May 11, 1961. I submit that was a wise decision that we made. I do not believe that President Kennedy and Vice President Johnson, both of whom are on the National Security Council with Secretary of Defense McNamara, Secretary of State Rusk, and Central Intelligence Agency Director McCone, would ask for aid to be extended to a country merely because the country may be in difficulty and the country is Communist.

They are going to ask that the aid be extended, if at all, because it serves our national purpose, our national security interest. I do not deny the right of the Senate or of Congress to put limitations on that aid. The argument is whether the limitations are wise. We put limitations in many laws. We have a limitation in the aid bill, to the effect that the President can give aid only if he finds it to be in the national interest to do so.

The point is not whether Mr. Tito is deserving of condemnation—there is no question of that—because Mr. Tito is not doing what he has done because of any love for the United States; rather, he has done what he has done in the past because of his bitter argument with Mr. Stalin, the former dictator of the Soviet Union, and because of his argument with Khrushchev, which is a continuing argument, and as a result of which he has been trying to play off one force against the other. There is no doubt about it.

We have felt in the past, and we still feel, that the policy we have pursued is best for peace and for the security of mankind and for our national security. That has been the feeling of our Government and of our State Department. Until I am presented with evidence to the contrary, I will maintain that position, because I think it is right.

Many of us have been deeply concerned of late with the possibility of India, for example, purchasing Soviet Mig's. The Senator from Wisconsin is correct: Soviet Mig's mean Soviet training. Soviet Mig's mean Soviet control over the Indian military estab-

lishment, from the standpoint of parts and replacements, and services from ground crews, if India has highly developed aircraft. I have expressed my deep concern about this matter to our Government and to the Ambassador from India. I feel it would be a great mistake on the part of India to go through with this deal. I would look upon it with considerable concern, and, indeed, I would strongly oppose it.

We have provided the military equipment for Mr. Tito. Mr. Tito cannot get spare parts from Mr. Khrushchev, because General Motors is in the United States, not in Russia. Because of this military equipment in the Yugoslav Army, there is placed upon the United States reliances for replacements and repairs. I must say that one of the beneficial byproducts of our military assistance program has been the ties which automatically follow for repair and renovation and spare parts and technical services and also the reliance that it places upon the receiving country to go to the furnishing country for equipment, services, and replacement.

Mr. GRUENING. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GRUENING. Can the Senator give us any reason why we should have given any arms to Tito in the first place?

Mr. HUMPHREY. I believe that at the time we gave them, there was a fear that the Soviet Union would move militarily against Yugoslavia.

Mr. GRUENING. But that fear no longer exists. Why must we give Yugoslavia spare parts?

Mr. HUMPHREY. We do not give them equipment. We do provide spare parts, but those spare parts are purchased from us. It is to our advantage to do so. Since the equipment was originally purchased from the United States, our giving them spare parts prevents their falling into the economic pattern of the Soviet Union.

I am concerned about the possibilities of this happening in India. I want to make it clear that I feel this would be an unfriendly act, after our generous aid to India. I will speak even more strongly and say that Indian behavior in this matter resembles a form of international blackmail. I do not like it, nor should our Government tolerate it.

Mr. PROXMIRE. In 1958 the Senator from Wisconsin supported Eisenhower discretion with regard to administering foreign aid in such a way that it could be made available to Communist countries. In 1961 on two occasions the Senator from Wisconsin supported Kennedy discretion. Obviously this is not a matter of favoring one President as opposed to another. The Senator from Wisconsin did the same thing, most recently, on August 17, 1961. On the other hand, the Senator from Minnesota seems to feel that, since the Senator from Wisconsin supported Presidential discretion 9 months ago, and now wants to modify his position—and I deny it is anything like the same proposition—that the position of the Senator from Wisconsin is inconsistent, immoral, improper, or something entirely wrong.

Mr. HUMPHREY. Just inconsistent, not immoral. Just inconsistent.

Mr. PROXMIRE. Very well. Inconsistent.

Mr. HUMPHREY. I do not want to take the Senator down the path of his mistakes any farther than he has gone already.

Mr. PROXMIRE. Far from this being a mistaken course of action, the fact is that the most dramatic and the most obvious changes have taken place in Yugoslavian policies since that time. They are changes which I believe justify the policy shift contained in my amendment. The same changes caused Life magazine to shift its position on aid to Tito. What changes are they?

First of all, there is the Belgrade speech, which certainly startled scholars all over the world. Secondly, there is the jailing of Djilas. That was significant.

Mr. HUMPHREY. That was the second time he was jailed.

Mr. PROXMIRE. But what is most significant is that this time Djilas was jailed because he criticized Khrushchev. That is why he was put in jail. Djilas is the former comrade in arms of Tito. He was former Vice President of Yugoslavia. Now he has been jailed a second time. That appalled many people.

Mr. HUMPHREY. I was appalled the first time.

Mr. PROXMIRE. I was appalled both times.

Mr. HUMPHREY. I was appalled the second time also.

Mr. PROXMIRE. That is fine. I am glad the Senator was.

The position of the Senator from Wisconsin is that the greatest mistake Senators can make is to feel that if they are going to change their mind on the basis of what is happening in the world, the assistant majority leader or the majority leader or the minority leader will say, "Wait a minute. You voted for it in the past. You are inconsistent. You had better be careful." That is a serious mistake to make, Mr. President.

I believe that Senators should read the record and change their minds whenever they think the facts have changed sufficiently to warrant their changing their minds.

I have always been opposed to aid to Tito. I have voted at times to give the President discretion in that regard. I have voted to give that discretion to President Eisenhower and to President Kennedy. Now I feel that the President should no longer be given that discretion.

Mr. HUMPHREY. How about Gomulka?

Mr. PROXMIRE. In the case of Poland the only matter involved is the shipment of American surplus food to Poland. I did not oppose it before. I do now because of the present Soviet food crisis.

Now I should like to reply to the Senator from Tennessee [Mr. GORE]. There is a world of difference between giving aid to a Communist dictator and giving aid to a Fascist dictator, such as Franco, who is on our side. I feel the same way about giving aid to Turkey. Turkey is not democratic, as we view

democracy. The same is true with Pakistan and South Korea. As a matter of fact, in these cases we are giving aid to countries that are on the front lines of the battlefield against communism. By giving this aid we are saving American lives and American treasure. We are encouraging them to oppose communism. We are doing it, for example, in Turkey, because we can recruit Turkish soldiers at about 10 percent of the cost in the United States. That makes sense.

On the other hand, to give aid to Tito, when he said he will fight shoulder to shoulder against us with Khrushchev, when in his most recent pronouncement he has said that he is against us all the way, does not make any kind of sense at all. There is certainly a clear and distinct and obvious difference under those circumstances.

Mr. HUMPHREY. Mr. President, we will certainly have a very difficult job in the Senate legislating on the basis of the ideological gyrations and deviations of Mr. Tito, if we are going to legislate one day on the basis that Tito is a good fellow, and therefore let us be kind to him; then the next day, when we find out that he denounces us, as he will most likely do, we say that we must close the door on him. As a result, nothing will be done by Congress except to wait to see what his most recent action will be.

That is why I said we will lay down the criterion that we do not want to aid Communist countries. That is where we start, in the first place. That applies not only to Yugoslavia or to Poland, but to all of them. We do not want to give aid to these countries. Then we write down the second premise, that if the President, as was set forth in the several amendments that we had before us, thinks it would be in our national security interest to give aid, we should give financial and other aid to such countries. Then he may extend financial aid and other aid to such countries. That is because it is deemed to be for our security, and not for the security of others.

Therefore, we leave a loophole, a flexibility, in the law for the Chief of Staff, for the Chairman of the Joint Chiefs of Staff, for the Secretary of State, for the Secretary of Defense, for the President of the United States, for the National Security Council—who, by the way, have a little more information than we have. They may sometimes have even more information than does Life magazine. In fact, one feels handcuffed as he debates this subject. If the Senator from Wisconsin would like to exercise his prerogative as a United States Senator, he has available to him for examination intelligence papers which show beyond a shadow of a doubt the fallacy of the action which the Senate took. That is why the Ambassador made the statement he did.

We are not permitted to come into the Chamber and read such documents in public. The public galleries are filled with our fellow citizens. The press gallery does not exclude representatives from unfriendly countries. Therefore, we are under a sort of proscription, so to

speak, with respect to the kind of information we can divulge. I appeal to the Senator from Wisconsin to ask for those papers. As a U.S. Senator, he has a right to them. He has all the clearance anybody needs or could ever hope to have. He is as loyal a man as ever lived in this country. He is entitled to examine important secret documents.

The Senator from Minnesota could not agree more with the Senator from Wisconsin about the basic undesirability of strengthening Communist countries by means of economic aid. However, I say that if the President finds that certain situations developed, then, indeed, it might be to our advantage to do something about it. For example, I stated in the Senate the other day that India is today using Soviet helicopters with crews trained by Soviet technicians. India is using Soviet equipment to transport light and heavy artillery, including mortars, up to the Communist China border, to inaccessible areas. So far as India is concerned, that is normal transport. Should we denounce our aid program to India at this time and say to her, "You have received aid from Russia. You are obviously friendly to the Soviet Union"?

Those helicopters are doing a good job against a country that is the most aggressive country on the face of the earth today—Communist China. Furthermore, those helicopters are hardly contributing to the solidarity of the Communist bloc. If there were any way in which to strengthen other countries bordering on Communist China, so that they could more adequately resist the aggressive pattern of China, it would be to their advantage and to the advantage of the peace of the world, and I think it would ultimately be to our advantage, because if the Communist Chinese system engulfs all of Asia, at least in the lifetime of our children, our Nation will be imperiled, because that mass of population and resources pitted against us would be a very serious threat.

Mr. PROXMIRE. Mr. President, once again, I underline the fact that the opposition by the Senator from Wisconsin, like that of the Senator from Minnesota, has always been against aid to Communist countries. I have changed my mind only within the last year or so concerning the granting to the President of any discretion with respect to any aid to Yugoslavia. I am vehemently against such aid. I have been against it all along. Now I am against any freedom of discretion in that respect, because I am opposed to that kind of discretion.

So far as the threat from China is concerned, of course China is a threat. Communist China is the most militant country in the world; but it is a weak country. It is beginning to lose strength and beginning to lose support. The Government of Communist China is in trouble. It was reported only the other day that Communist China is really concerned about an invasion from Formosa, she is that weak.

Under those circumstances, it seems to me that we should recognize that the real power in the Communist world today is the Soviet Union. I cannot get any more comfort from the Soviet Union providing helicopters for India than I

can from the Soviet Union providing Mig's for India.

Mr. HUMPHREY. There is a difference.

Mr. PROXMIRE. There is a very important technical difference. At the same time, it is a matter of the Soviet Union assisting India in a military way and in making India dependent on the Soviet Union. I think the action in both cases is wrong.

Mr. HUMPHREY. One of the points raised is that there has been a change in the attitude of Tito, and that that has necessitated a change in policy. I think that is a debatable question. My point is that Tito is about as changeable as the weather has been in the Midwest of late—hot, cold, dry, wet, windy, flat, and calm.

However, I noticed that in the debate on June 5, the Senator from Wisconsin said:

In 1955, Tito claimed that despite all that had passed vis-a-vis Stalin, he, Tito, had never betrayed the Communist cause. In fact, Tito has always pictured himself as a Communist, and as a true Communist.

In 1956, Tito triumphantly toured the Soviet Union.

On June 11, 1956 at Stalingrad, Tito said: "Yugoslavia, in time of war as well as in time of peace, marches shoulder to shoulder with the Soviet people toward the same goal—victory of socialism."

Tito's speech on November 11, 1956, opposed Soviet interference so long as a Communist regime was master of the local situation. He opposed interference under those circumstances, but he favored Soviet military involvement when the local party's power was threatened.

This is not a man with whom we should do business, let alone a man to whom we should give assistance and aid.

The Senator from Wisconsin quoted the Tito of 1956 and 1957. Yet in 1958, 1959, and 1961 the Senator from Wisconsin voted exactly as the Senator from Minnesota did. In fact, in 1958, on the specific Bridges amendment, which would have outlawed any more aid of any kind to Yugoslavia—would have made absolutely mandatory no more aid to Yugoslavia or Poland—after the speech by Tito in 1956, after his triumphant tour of the Soviet Union, and after Tito had said he would side with the Soviet Union in war or peace, the Senator from Wisconsin voted against the Bridges amendment.

Mr. PROXMIRE. To the same bill, the Senator from Wisconsin offered an amendment—and I believe it received 30 votes or so—to knock out aid to Yugoslavia. But when it came to the question of eliminating aid across the board, under those circumstances, without any discretion across the board, the Senator from Wisconsin exercised discrimination.

Mr. HUMPHREY. That is what I have asked the Senator from Wisconsin to do now. If the Senator would only do that now, we would have no argument at all.

Mr. PROXMIRE. But now the Senator from Wisconsin is convinced that for 1 year there should be a suspension of aid to Tito, without discretion, following which we should take another look at the situation. Why is that inconsistent?



Mr. HUMPHREY. A man could not make any more anti-American statement than Tito made in 1956, when he said:

Yugoslavia, in time of war as well as in time of peace, marches shoulder to shoulder with the Soviet people toward the same goal—victory of socialism.

Yet in 1958 and 1959, when the roll was called and the Senator from Wisconsin voted, an overwhelming majority of the Senate agreed with the Senator from Wisconsin. We voted not to exclude all aid to Yugoslavia, not to exclude all aid, as would have been required under the Dodd amendment, from country to country behind the Iron Curtain; but we voted to give the President the authority, if he found it to be in the national interest, despite the provisions of other law prohibiting aid, to supply such aid. That was what the Senator from Wisconsin believed to be the best policy.

Mr. PROXMIRE. I have taken the position that Congress should use discretion in granting aid to Yugoslavia, for the reason that I favored some Presidential discretion. But I did everything I could, at the first opportunity I had on the very first foreign aid authorization bill that came before this body after I was elected to the Senate, to knock out aid to Yugoslavia.

This time, the Senator from Wisconsin believes, on the basis of experience, that if one does not believe in aid to Yugoslavia, he should not only vote against it, but vote against Presidential discretion to provide it.

Mr. HUMPHREY. The Senator may have done all that; but if he had been looking for any changes of votes, he should have insisted on a stronger amendment in 1961 and in 1962 than in 1959 and 1960 because Tito has not been any worse in 1962 than he was in 1956, 1957, 1958, 1959, and 1960. He has always been a rather difficult individual. He has never kidded anybody about communism. What he said was that he did not believe Khrushchev ought to run it all, but that Tito would like to take a hunk off for himself.

We have said, in effect, "As soon as you are willing to break off a certain amount of business with Russia, we will be willing to give you some degree of assistance." That was not an act of charity toward Tito; it was an act of national charity to ourselves.

Mr. GRUENING. Has not the Senator from Minnesota finally reached the conclusion that we have been mistaken all along in providing aid to Tito both under the preceding administration and now under the present administration?

Mr. HUMPHREY. Not at all. I do not, because I think that if we had not given aid to Tito, following his break with the Soviet Union, today Yugoslavia would be fully in the hands of the Soviet Union, and our ally, Greece, would be in a continuous civil war if she existed at all. I have talked with the military and the political leaders of Greece, and they say categorically that if there had not been that break by Tito with the Soviet Union, and if the Yugoslav Government had not signed its treaty with Greece, Greece never would have been able to survive, despite the aid given her by the United States. Although we gave

a great deal of aid to Greece, our generals who were there were among the first to admit that the closing of the border between Yugoslavia and Greece to further military shipments from the Soviet Union was the beginning of the end of the civil war in Greece.

So it is that today our allies, Greece and Turkey, would be imperiled if we were not able to keep some degree of independence in the parts of Europe in which Yugoslavia and Albania lie. In fact, the fact that today Albania is anti-Soviet is an asset for our NATO alliance; and these developments should be encouraged. So certainly we should not take any action which would solidify Soviet control over these people.

Mr. President, I yield the floor.

#### COLLEGE STUDENTS WORKING IN THE GOVERNMENT THIS SUMMER

Mr. GRUENING. Mr. President, today marked the beginning of the New Frontier in training and education for the future leaders of this country. This morning at Constitution Hall the President of the United States welcomed college students who are working in Government positions in Washington this summer.

My two research interns, Miss Judith Arnold, of Wellesley College, and Mr. Ira Plotkin, of Rochester University, returned from their session with the President thrilled and encouraged to continue the work they have begun in the legislative department of my office, realizing all the more the importance this summer can have for their future lives.

Constitution Hall was filled to the last seat, due to the efficiency and planning of Mike Manatos and others of the President's staff. Yesterday, upon my request, Mike immediately provided me with tickets for my two interns.

I am informed that when the President walked in at 10 a.m., the entire group rose and applauded thunderously. The purpose of the President's speech was to introduce the new series of seminars to be held this summer to instruct the interns on all aspects of governmental policy and problems. President Kennedy stated that each student probably gets to know well only the branch of the Government in which he is working; but, through these seminars, the students will have the opportunity to hear experts from each field of Government. Mr. Bell, from the Bureau of the Budget, will speak on the executive branch; Chief Justice Warren will speak on the judiciary branch, and so forth.

The President assured these young people that they would find a career with their Government certainly the most exciting, the most stimulating, and the least compensating financially of any career they might choose. He quoted a statement made by Germany's great Chancellor, Von Bismarck, that one-third of the students in German universities collapsed from overwork, one-third collapsed from dissipation, and the other third were in the Government service. The President felt certain that the students in Washington this summer are among the last third. And due to a program such as this, the students of today

are learning best how they may serve their country tomorrow.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

[No. 95 Leg.]

Alken	Goldwater	Morton
Allott	Gore	Moss
Anderson	Gruening	Mundt
Bartlett	Hart	Murphy
Beall	Hayden	Muskie
Bennett	Hickenlooper	Neuberger
Bible	Hickey	Pell
Burdick	Hill	Prouty
Bush	Holland	Proxmire
Byrd, Va.	Hruska	Robertson
Byrd, W. Va.	Humphrey	Russell
Cannon	Jackson	Saltonstall
Carlson	Johnston	Scott
Carroll	Jordan	Smathers
Case, N.J.	Keating	Smith, Mass.
Case, S. Dak.	Kefauver	Smith, Maine
Church	Kerr	Sparkman
Clark	Kuchel	Stennis
Cooper	Lausche	Symington
Curtis	Long, La.	Talmadge
Dirksen	Magnuson	Thurmond
Dodd	Mansfield	Tower
Douglas	McCarthy	Wiley
Dworshak	McClellan	Williams, N.J.
Ellender	Metcalf	Williams, Del.
Engle	Miller	Yarborough
Ervin	Monroney	Young, Ohio
Fulbright	Morse	

Mr. HUMPHREY. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from Indiana [Mr. HARTKE], the Senator from Hawaii [Mr. LONG], the Senator from Wyoming [Mr. McGEE], the Senator from Michigan [Mr. McNAMARA], the Senator from Rhode Island [Mr. PASTORE], and the Senator from West Virginia [Mr. RANDOLPH] are absent on official business.

I further announce that the Senator from New Mexico [Mr. CHAVEZ] and the Senator from Missouri [Mr. LONG] are necessarily absent.

Mr. KUCHEL. I announce that the Senator from Delaware [Mr. BOGGS], the Senator from Maryland [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from New Hampshire [Mr. CORTON], the Senator from New York [Mr. JAVITS], the Senator from Kansas [Mr. PEARSON], and the Senator from North Dakota [Mr. YOUNG] are necessarily absent.

The Senator from Hawaii [Mr. FONG] is absent on official business.

The PRESIDING OFFICER (Mr. BURDICK in the chair). A quorum is present.

#### COMMERCIAL COMMUNICATIONS SATELLITE SYSTEM

The Senate resumed the consideration of the bill (H.R. 11040) to provide for the establishment, ownership, operation, and regulation of a commercial communications satellite system, and for other purposes.

Mr. HUMPHREY. Mr. President, what is the pending question?

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Louisiana [Mr. LONG] to the commercial communications satellite system bill.

Mr. HUMPHREY. Mr. President, I yield to the Senator from South Carolina [Mr. JOHNSTON].

# TRIBUTE TO H. W. (BILL) BRAWLEY

Mr. JOHNSTON. Mr. President, H. W. (Bill) Brawley is known to many of us for his many years of outstanding work on the Senate Post Office and Civil Service Committee.

Having just this week left the demanding post of Deputy Postmaster General to accept a challenging role in the critical election campaign of this summer and fall, Bill Brawley will have a major role in organizing, directing and coordinating this effort which will see an incumbent administration for the first time in almost 30 years increase its congressional majority in an off-year election.

To devote his full efforts to this task, Mr. Brawley has resigned the post of Deputy Postmaster General. These were the words of Postmaster General J. Edward Day:

Mr. Brawley's accomplishments in the reorganization of the Department's management, the preparation of rate legislation and the development of the Department's personnel program cannot be overemphasized.

In resigning to accept a special assignment with the Democratic National Committee, Mr. Brawley wrote the President:

I feel that my experience during the past several years can be a valuable asset to the important task of increasing the Democratic majorities in both Houses of Congress. The dedication and loyalty I feel for you and your tremendous program dictates that I should offer my services in this important area at this time.

Mr. Brawley's experience will indeed be invaluable to all Democratic candidates this fall. He served the Senate for 13 years on my committee staff, contributed his considerable talents in organization to three national presidential campaigns, and has for 1½ years directed the reorganization and modernization of our largest civilian agency.

In announcing Mr. Brawley's appointment to the national committee staff, Democratic National Chairman John Bailey said:

Mr. Brawley's unique background in the legislative branch, as a member of the Kennedy administration and as a nationally respected campaign organizer, will be an invaluable asset to Democratic candidates throughout the country during this crucial election year.

Mr. Bailey's sentiments and confidence in Mr. Brawley are reflected in his statement that—

The increase in the Democratic majorities in both Houses of Congress will require able and dedicated people to tell the impressive story of the Kennedy administration and to bring home to the public the accomplishments which lie ahead under the Kennedy program pending before Congress. Mr. Brawley is unusually well qualified to coordinate these efforts.

Mr. President, I have here two press releases—one from the Post Office Department and one from the Democratic National Committee—concerning the resignation of Mr. Brawley which I would like to read at this time.

The Post Office press release of June 18 states:

Deputy Postmaster General H. W. Brawley has resigned from the Post Office Depart-

ment to take a post with the Democratic National Committee, Postmaster General J. Edward Day announced today.

Mr. Brawley's accomplishments in the reorganization of the Department's management, the preparation of rate legislation we are confident will soon be enacted by the Congress, and in the development of the Department's personnel program cannot be overemphasized.

We regret losing the valuable services of Mr. Brawley at this time while recognizing that many of the major tasks set for the Deputy Postmaster General's staff when we initially took office have been achieved.

I am confident Mr. Brawley will perform a major service to the Kennedy administration in his new post.

Frederick C. Belen, Assistant Postmaster General, Bureau of Operations, and Michael Monroney, Executive Assistant to the Postmaster General, will share the duties of the Deputy Postmaster General.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. KEFAUVER. I join my distinguished colleague from South Carolina in paying high tribute to the work of Bill Brawley, whom I have known well during many years. He has been head of the staff of the committee of which the Senator is chairman. In that capacity he was one of the finest public servants in the Congress. He has made a great contribution to the postal service since he has been Deputy Postmaster General.

Mr. Brawley is able and always helpful. I am sure that in his new position with the Democratic National Committee he will be of great assistance to the party and to the Nation.

In that connection, Mr. Brawley has had a very good tutor. If any evidence is needed as to the expertness of his tutor, I point to the record of the Senator from South Carolina [Mr. JOHNSTON], who has just come from a great victory in the primary in the Senator's State, for which I congratulate him.

Mr. JOHNSTON. Mr. President, I appreciate those remarks of the senior Senator from Tennessee. I know that they come from his heart.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield to the Senator from Texas.

Mr. YARBOROUGH. I commend the distinguished Senator from South Carolina for his remarks about Mr. Brawley.

When I came to the Senate 5 years ago this spring, I was assigned to the Committee on Post Office and Civil Service, of which the distinguished Senator from South Carolina is chairman. Mr. Brawley was chief counsel for the committee. I served with him there until he left the committee in the first part of 1961 to become Deputy Postmaster General. I found Mr. Brawley to be a most helpful and efficient staff member. We miss him greatly in the committee. I know that he will be missed in the office of Deputy Postmaster General.

Mr. Brawley will go to a broad field of service. He has been most efficient when he has served the committee; he has been most efficient when he served in the executive department of the Government. He has shown great capability in

his service in the executive branch, in the legislative branch, and in a political organization.

I thank the distinguished Senator from South Carolina for yielding to me. I understand that the Senator brought Mr. Brawley to Washington, and was his mentor. The quality of training given is shown by the thoroughness with which the Senator was renominated for another 6-year term in the Senate. I congratulate the distinguished Senator from South Carolina.

Mr. JOHNSTON. Mr. President, I thank the senior Senator from Texas for his remarks. The Senator has rendered very attentive service as a member of the Committee on Post Office and Civil Service.

Mr. ENGLE. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield to the Senator from California.

Mr. ENGLE. Mr. President, I join in the tributes being paid by my distinguished friends and colleagues to Mr. Brawley. I have had occasion to work with Mr. Brawley in his position in the Post Office Department. Everything he has done has been excellent. He has been an outstanding public servant in that Department, as he was prior thereto in the Senate Committee on Post Office and Civil Service. I join my colleagues in wishing him great success in his new position.

Mr. JOHNSTON. I thank the Senator from California for his remarks.

The June 18 news release from the Democratic National Committee reads as follows:

Democratic National Chairman John M. Bailey announced today that Deputy Postmaster General H. W. (Bill) Brawley has resigned his post to take a temporary assignment as executive assistant to the chairman of the Democratic National Committee.

Mr. Brawley, working directly under the chairman, will coordinate election year activities of the national committee in the congressional, senatorial, and State campaigns.

He brings to his new assignment vast experience gained in the 1952, 1956 and 1960 presidential campaigns. Prior to his appointment to the No. 2 position in the Post Office Department by President Kennedy, he was staff director for 13 years of the Senate Post Office and Civil Service Committee.

Mr. Brawley's unique background in the legislative branch, as a member of the Kennedy administration, and as a nationally respected campaigner in three presidential campaigns will be a valuable asset to the chairman of the national committee and to Democratic candidates throughout the country in this crucial election year.

The increase in the Democratic majorities in both Houses of Congress this year and the election of Democratic Governors and State administrators is of the highest importance to the future progress of our people and the Nation, and I feel Mr. Brawley is unusually well qualified to coordinate efforts toward this end.

It is a well known fact that only once in this century has the political party in power in the White House increased its majority in the Congress. This year, with the tremendous popularity of President Kennedy and his programs across the country, and the hard work all down the line, we want to break that barrier again.



# COMMENCEMENT ADDRESS BY SENATOR KEATING AT IONA COLLEGE

Mr. KUCHEL. Mr. President, I have just finished reading a very able and excellent commencement address delivered by the distinguished Senator from New York [Mr. KEATING] at Iona College. The subject of the address, which he delivered to the graduating class of that fine educational institution, is "The Role of the Individual in a Free Society." It presents a timely challenge to young Americans, indeed, to all of us. I commend a reading of the address to my colleagues in the Senate, and I therefore ask unanimous consent that it may be printed in full in the body of the Record at this point in my remarks.

There being no objection, the address was ordered to be printed in the Record, as follows:

## THE ROLE OF THE INDIVIDUAL IN A FREE SOCIETY

Cardinal Spellman, Brother Power, members of the graduating class, distinguished members of the faculty, honored guests, ladies and gentlemen, one may well say that the days of our life are like coins—coins of differing value—some golden, priceless, unforgettable—some dull, soon-spent, and buying little. Today will remain, I know, for each of you who leave Iona, as the coin of time you cherish above others, because it is minted of the gold of many memories—memories of friendships, of loyalties, of the deep attachments and affections that are the heart's adventure—and which the heart cannot forget.

You leave Iona today, but it is only a token departure, for this splendid and revered alma mater will walk with you every step of your journey through life because you are a part of it, because it is a part of you.

Now I appreciate that the world renowned Christian Brothers of Ireland did not make life easy for you these past 4 years, and that is precisely why they are respected throughout the world of learning. Each of you, I am sure, still bears the scars of your final examinations. But let me assure you, as one who has had many academic wound stripes, that these marks—which many of you must have accepted as penitential—are amazingly quick-healing.

I think that there is operative what I might call a law of diminishing pain, and you will find, as I did, that as the years go by, those courses that seemed the most soul-searing when you passed through their fire gradually simmer down to the soft and pleasant glow of an experience which, in misty retrospect, seems wholly bearable, and even gives you the satisfaction of the warrior who has stormed an unassailable castle and lived to tell about it.

But today, fresh from the academic wars, you stand on the broader field of honor that is life. It is of your involvement in that larger struggle—wherein the campus becomes the cosmos—where the examinations are not written but lived—that I would speak to you today.

Like Balboa first gazing upon the vast Pacific, you stand at a point in time which opens new, tremendous and inspiring vistas. The world into which you were born has disappeared. History—sometimes a dawdler but now a sprinter—is today rushing toward the future at a speed unparalleled in all the centuries.

Shakespeare has told us that all the world's a stage.

Your cue has come and now you walk upon that stage, a stage where the play is truly epic, representing as it does a con-

lict between two massive opposing forces—on the one hand a force representing the concept that man is a creature of God; on the other, a force that proclaims man to be a vassal of the state, a soulless being whose only fulfillment is in terms of productivity, whose only god is materialism.

In the face of this confrontation of two power masses, the dimension of man as a prime mover, historically as a shaper of events, tends to become diminished in man's own eyes. He feels he has been pushed from the wheel that guides his destiny, that he has become a puppet in a cosmic contest of puppetry, a creature of response rather than a creature of action.

This sense of himself as a mere unit of power rather than power itself is accentuated when man contemplated his own Frankenstein: science. For the thing he has conceived has learned the trick of destroying its conceiver. The ultimate ingenuity has produced the ultimate weapon. The Frankenstein, to be sure, is only as malevolent as man's heart is malevolent, but this does not shorten the shadow that terror casts across the world.

And when man is not frightened by his own magic, he is likely to be mesmerized by it, to be induced to believe that his importance grows increasingly less, his voice less heard, less heeded. For he sees himself edged away from his job by a machine whose productivity makes him appear a sluggard, he sees his brain skills replaced by those modern delphic oracles, the computers, he sees automation making a mockery of his speed, his strength, his expectations, his endurance.

But this attitude is invalid, untenable, because it forgets who man is and whence he came.

It forgets what history has ever taught—that individual man in a free society holds in his spirit, in his heart, in his head the greatest forces ever released on earth, for the simple eternal reason that those forces came from God; that challenge is not their death but their opportunity; that a tyrant may chain them, but not master them; that they bear the sublime and sacred birthmark of their Maker.

When Scott Carpenter made his recent orbital flight, science gave him almost everything that went with him in his capsule to assure his success, his safe return—almost everything. It did not give him the things he alone could bring—courage, faith, resolve, dedication—for these come out of no laboratory. They are the God-given attributes of the individual man; they are his insulation against fear; his incalculable power; the arms and the armor in the battle each man must fight by himself whether in the immensity of space, in the challenge of a crisis, or in the silence of his own conscience.

Too often, in this age of slogans and catchwords, we think of freedom as a word rather than as a meaning. Like a coin in constant circulation, its image is rubbed off beyond recognition. Freedom, let us remember, did not begin with victorious armies. That was the consummation, not the origin. Freedom began in the hearts of individual men, who found it where God had put it, as a yearning to assert the dignity that stirred within them, the sense that they were born to be free, the resolve that this birthright would not be denied them.

Thus, the freeman in a free society is the core and heart of that society. Only when he doubts his power is that power diminished. Only when he consents to be shaped by events will he cease to be the shaper of events. Only when he forgets that he is a creature of God can he become a toy of destiny, unable or unwilling to play the high and sublime role written for him when he entered this world.

And so, none of you can remain uninvolved in the tremendous task that confronts every freeman, the task of asserting

the primacy of the man over the mass, of making human dignity a living not a dying thing, of accepting freedom not as a fortuitous legacy but as a sacred trust.

Man must live what he believes, else his beliefs have no life. He must translate the concept of brotherhood into the act of brotherhood. There is only one way to fight godlessness, and that is with godliness in its true, its deepest, its fullest meaning. It is one of the supreme ironies of history that communism owes its power to the success it has achieved—not in fighting Christianity but in counterfeiting it.

The Communists have taken the Christian concept of love of neighbor and made it a brotherhood in slavery rather than a brotherhood in freedom. They have minted the currency of tyranny and circulated it throughout the world as the currency of love.

In its true essence, therefore, communism stands before us as a spiritual challenge. Only secondarily is it a military challenge. The way to meet it, to vanquish it, was revealed to us 2,000 years ago. It is not a passive way, unless men make it passive and so forewear it. It is a militant way, with a marshaling of the soul's strength, the heart's resolve, the body's energy.

And man is no more distant from the battlefield than the nearest affront to human dignity, the nearest defiance of human rights, the nearest contention that the human soul has a sliding scale of values, depending on color, race, creed, or social status. For communism finds its allies unwitting, perhaps but no less damaging, in whatever hearts and minds belittle the right of any man to claim the dignity God gave him to claim respect for that dignity.

Communism builds its walls, its curtains of iron, to seal out freedom and to make its vast prison escape proof. Let us not piously condemn such walls, so long as walls remain in freedom's house, so long as any man is sealed off from his God-given rights, his law-given rights, because his skin, his accent, his beliefs, are judged to entitle him only to a percentage of equality, not to the full measure reserved to the elect.

Wherever the freedom of the individual dies in this world, whether in a foreign land or in our own, let us not ask for whom the bell tolls.

It tolls for each of us. The killer may be communism, it may be bigotry, or intolerance or discrimination, but it has bereaved us because freedom is a brotherhood or it is nothing. Who degrades any child of God degrades the children of God.

This truth you must burn into your hearts. This truth must light your way, this truth is the wisdom of the soul; and who ignores it turns his back upon both God and man.

You enter today upon a world of challenge, of opportunity. It is an imperfect world, but each of you has it in your power to make it more perfect. It is a big world, but you will not be submerged in its mass unless you consent to your own drowning.

Treasure then above all that rarest of opportunities that awaits you, the opportunity to make your community, your nation, your world a richer, finer dwelling place for the spirit of man, a dwelling place as free from walls as the hand of God, as full of love and compassion as the heart of God. Only in this way will life be a stirring adventure of the soul instead of a long, dull journey of the body. Only in this way will you be true to yourself, to those you love, to those who love you.

## DELAY IN ENACTING LEGISLATION

Mr. SCOTT. Mr. President, while the filibuster continues, what is the state of the Union? The great engine of Government has enormous power when it is

connected to the transmission of the legislative branch of the Government. If, however, the wheels are not on the ground, the vehicle does not move; and if the engine, however great and however accompanied by impressive sound, does not operate the transmission, and if the wheels remain off the ground, forward progress is, to say the least, somewhat limited.

We who live in the trailer—and I refer to the minority party in the legislature—are not able to speed legislative processes, nor have we contributed to the present inability of the Senate of the United States to get America moving. At this stage, it seems to me that what we have is a lot of show and no go.

What concerns me is that no appropriation bills, a few days before the end of the fiscal year, have gone to the President, unless one accepts the supplemental 1962 act for the Veterans' Administration, which is perhaps not a true appropriation bill.

I should say that never in the history of the Republic have so many men talked so much, here and in other places in Washington, and got so little accomplished. Not only do we stand helpless in the matter of appropriating needed funds with which to pay our employees and with which to operate the Government; we have not paid our last assessment to the United Nations; and, whether for good or ill, we are about \$25 million in debt on the U.S. contribution for the Congo operation. If the United Nations falters for a lack of funds and for a lack of similar support, the blame certainly will be directed toward us as a country, and then inevitably toward the majority party, in most sessions of the legislature, which to date has accomplished virtually nothing.

Aside from the defense bill and perhaps the foreign aid bill, I believe the only major bills on which action has been taken are the worker-training bill. Some 21 major pieces of legislation for which the President has called again and again have not been enacted. This, again, is hardly the fault of the one-third of Congress which the minority party represents, and it is hardly the fault of those who have no control over committee action or the prosecution of legislation, and therefore over the fate of the country.

Obviously, not all will agree on any specific legislation; but I think the country would be interested in seeing Congress get something done. I do not believe this is a request which is too onerous, in view of the fact that an honest day's work for an honest dollar is expected on the part of Americans who work for a living. I submit that the answer is not to remain here indefinitely, and thereby tell the people of our own incapacity to legislate. We are a leisurely body, and we all respect the right of one another to talk ad infinitum. The country may classify it as *ad nauseam*, but I surely would not, because I enjoy the lengthy comments of my colleagues when I am unable to be present by reason of official duty.

Nevertheless, one would like to see some action taken for those whose wel-

fare is at stake. One would like to see some action taken for those who long for some enlightenment on whether the promises of tax reductions are for political consumption before the November election, or whether they have any merit through intent to perform. One would like to know, for example, whether the tax reform bill is to be enacted and the trade expansion bill is to be enacted, or whether, perhaps, one is to be enacted at the expense of the other.

I think one would like to know whether there is any intention to enact appropriation bills in time, or whether the unfortunate delay which now exists is largely geographical, or perhaps pertains to the footage which can be measured by linear measurement between the two bodies.

Is it not important that the people shall know whether there is to be passed a tax reform bill, a tax reduction bill, a trade bill, whether there are to be passed, indeed, those bills for which glowing promises were scattered upon the four winds of political campaigns with such earnest abandon only a short while ago?

One hopes, indeed, when one speaks for one's constituents, that the Senate of the United States may find some way to unshackle itself from the bonds of custom and accommodation, and from the sheer apathy with which our sessions are presently regarded, if not by us, at least, I suspect, by the public.

I am one who believes that Congress should get America moving. I should like to see America on the go, go, go. I should like to see some traffic lights that show green once in a while, instead of so many that show nothing but red. In fact, we do not even get an amber light, so that we may get ourselves started on the legislative program.

All these things disturb me because they disturb my constituents. When I go home, they ask me: "What's going on?" There is not much I can tell them. They ask me if things are going up or down. I tell them most things are going down. I believe the only things going up are subscriptions to the New York Herald Tribune.

I think perhaps we should move from a field in which we seem to be sliding helplessly into a continued period of inaction, and should substitute for it what the majority leader has recommended—and I fully concur in his recommendation—namely, that Congress get down to work, get the wheels of the vehicle on the ground, and hook our transmission to the engine and to the wheels; and I suggest that we in the trailer will happily follow along, cheering the evidence that America is on the march.

But until that happy day comes, Mr. President, I can only deplore and look sadly upon the record of Congress, which, if it went down into history today, would be recorded as a do-little or do-nothing or dawdle-plenty Congress.

However, I am sure that all things work together for good, as the Scriptures tell us; and even the National Legislature may some day find itself in accord with the Holy Book. But until

that happens, I think at least I should state that I am ready to have America get moving, and I am ready to have Congress—two-thirds of which is controlled by the other party—do something.

I hope the sunrise of accomplishment will succeed the darkness of our present dawdling, and that perhaps something will happen to adumbrate the present darkened situation, so that we shall happily march together down the road of American progress in the American interest, led by an American President and an American Congress devoted to getting something done for the country.

Mr. President, I yield the floor.

Mr. MILLER. Mr. President, I commend the distinguished Senator from Pennsylvania [Mr. SCOTT] for his statement. He has brought to the attention of the Senate a very important problem.

I think I should add that it appears to a number of us that there is perhaps a calculated effort to build up a head of steam in the Congress, and, along about the middle of August, when all Members of Congress wish to go out on the campaign trail, to try to stampede some of the proposed legislation through Congress. I point out that that is an old legislative trick.

I sincerely trust that my colleagues in the Senate and our brethren in the other body at the other end of the Capitol, will not be fooled by that tactic, but will be patient and deliberative, and not be stampeded into reckless action.

Mr. President, the Senator from Pennsylvania pointed out that we should get going. I subscribe to that view; but I also wish to caution that, based upon visits I have had with the people of my State, I detect that a great many of the American people would perhaps be a little happier if Congress would adjourn and go home, because they have a fear that the longer Congress remains in session the greater will be the damage which will be done, and that it will be almost irrevocable damage, because of future spending commitments.

I wish to have Congress get going; but I wish to have Congress get going on the right road. However, when I see legislative proposals to withhold income taxes on interest and dividends, to delegate to the executive branch of the Government the power to lower taxes, and to extend so-called medical-care benefits to all our people over 65 years of age, regardless of whether they have nothing in the bank or have \$1 million in the bank; when I see the Senate pass a bill to spend \$750 million for an immediate-action public works program which is not even included in the President's budget; and when I see in the House of Representatives, ready for action by it, a farm bill which gives the farmers a choice between the loss of their freedom or the loss of their farms, I must say that I can understand the attitudes of some of the people of my State in wishing that Congress would adjourn and go home, and would stop doing damage, until another election is held, so that we can determine the sentiment of the people in regard to some of the spending proposals.



## ANOTHER PROOF THAT GOVERNMENTS CANNOT FARM

Mr. HRUSKA. Mr. President, recent dispatches from Communist China tell of food riots in Canton, the latest episode in a tragic story of failure of the Peiping regime to provide food for its millions of people.

From the time when the red rulers took over mainland China, there have been periodic pledges of a new era in this pitiful nation's agriculture. We heard slogans such as "Battle of Crops," "Greap Leap Forward," and "Green Up China."

But what is the truth? The truth is that these programs have been incredibly bungled. Recently, I called the attention of the Senate to an analysis of the weaknesses of Russian agriculture under the Communist system of controls. Today, I cite a similar situation in Communist China. The author, Valentin Chu, was born and educated in China, and is a former Time and Life correspondent in Hong Kong.

In his account, Mr. Chu writes that about one-tenth of China's total area—that is, some 264 million acres—is arable. To maintain a subsistence level, four-fifths of that country's population must toil on this one-tenth of its land. In Soviet Russia, half of the population works on one-eleventh of its land to provide a meager standard of living. In the United States, one-eighth of the farm population farms one-fifth of the land to create a national overweight problem and pile up great surpluses, writes the author.

In China, many natural causes are working against the furnishing of ample food. Their eroded mountains, capricious rivers, and dust storms born of serious droughts, their denuded forests, their arid regions, and the typhoon areas—all of these result in calamities difficult to deal with.

Centuries of exploitation have given rise to some of these hazards. But all of these have been aggravated to an astounding degree by grave errors of a bureaucracy highly efficient in control, but childishly lacking in commonsense, and totally incapable of doing the job of farming which they undertook back in 1949.

Mr. Chu writes that what China is now facing is no common natural disturbance affecting a few provinces for a short time, but, rather, a nationwide exhaustion of land and the people, the cumulative result of 12 years of abusing nature and human nature. Since 1949, when it took over, the Peiping Communist search for a breakthrough in agriculture has resulted in a breakdown.

There are many illustrations of the party bureaucratic ineptness and blundering.

### FARM MECHANIZATION FIASCO

They attempted a titanic program of farm mechanization. They started with tractors, and reached the total of 33,500 tractors, which is less than 4 percent of the number required, as estimated by the regime. In the United States, we have 5 million tractors. In 1957, the

People's Daily, Peking's official organ, admitted:

It is too early to talk about general mechanization. We have no oil, too few animals. Steel is expensive. The cost of machinery is prohibitive.

They next undertook to turn out some 3.5 million double-wheel, double-share plows, to be pulled by animals. They were a flop, being too heavy for Chinese wet paddies and terraced fields. They were badly made, with many brandnew plows missing parts. They were discontinued.

Lately, the use of small, handmade instruments has been encouraged. But the People's Daily recently recalled wistfully the days of the pre-Communist peasant, when "a hoe would last three generations \* \* \* the property of the man who used it, repaired it and cared for it." Today, a hoe often does not last one season, nor does the peasant own it, repair it, or care for it. Instead, the small implements are "lost, wasted or destroyed—left scattered in the open air in the fields where rains and winds ruined them."

Communist China produces less than 3 million tons of chemical fertilizer per year. It needs at least 10 times that amount.

The 1959 locust disaster was an enlightening example of the party bureaucracy's knack for making natural calamities even worse. In April, peasants in Honan discovered young locusts, and reported their find to the commune's head man, who scolded the peasants and said:

The corn and soybean have just sprouted and the wheat will ripen soon. We don't even have enough people for weeding and fertilizing. How can we divert labor for insect pests? We must take care of urgent business first.

The peasants then appealed to the county party commissar. They were again pushed aside, Mr. Chu writes. They were told:

Little ghost and big fright. You saw an insect and you bring us a heap of blind words. We shall have an insect-destroying campaign someday anyway. Why make the fuss now?

Two months later the crops in two counties were eaten up by locusts in one night. During 3 days in mid-June, 1.3 million peasants were hurled into a sea of locusts, for an epic extermination battle. By then, however, it was too late. Before the locust invasion was over, a million acres in 48 counties in Honan were stripped clean. Neighboring provinces suffered damage to nearly 5 million acres. Airplanes were used to spray insecticide. But the spraying, done with frenzy and inexperience, killed 100,000 farm animals. By Peiping's own estimate, the insect pests damage 10 percent of the country's grain, 20 percent of the cotton, and 40 percent of the fruits every year.

### WATER CONSERVATION

In the field of water conservation, Chinese Communist efforts have done more harm than good. This has been demonstrated in many situations.

Despite well-publicized official figures as to dams built, billions of man-days used, billions of cubic yards of earth moved, dikes constructed, and wells dug, the results are disappointing and, in many instances, harmful.

The giant Sanmen Gorge Dam was announced as the key to control of the Yellow River system. In 1956, half of the 59 high dams constructed above it were completed, but in the same year floods destroyed or silted up almost all of them.

In 1958 there was another flood, but this time 70 percent of the swollen water came from below the Sanmen Gorge Dam site, bringing official journal admission that even after the completion of the entire project, major floods could not be prevented.

In 1954, with Russian aid the Futseling Reservoir, in Anhwei, was completed. Soon after that, the Huai River flooded the entire plain the reservoir was supposed to protect. Five years later, the reservoir was still not functioning. A similar fate befell the Yungting Reservoir Tunnel, near Peiping, which was opened with a loud blast of propaganda. Then came the flood, ravaging 7 million acres and washing away 2,670,000 houses.

In June 1959 the People's Daily summed up the results of many large-scale projects as follows:

There are reservoirs without water, reservoirs with water but without aqueducts. A great number of flood-prevention works which have to be renewed yearly were not renewed, or, if they were started, were not finished.

The Party Central Committee announced in August 1958, a stupendous network of canals which would crisscross the Great China Plain. The construction, revision, and reconstruction of this system constitutes an amazing story. It created many new problems undreamed of in the Communist philosophy, because of poor planning and total lack of understanding of the complicated science of water conservation and use. The canals took away much valuable farmland; they leaked badly—in many cases 60 percent of the water escaped. Harmful salts and alkali were brought up from the subsoil, and formed a crust, after evaporation, thus spoiling much formerly dry, but good, farmland; natural water table levels were harmfully interfered with.

### GRAIN STORAGE DISASTERS

Even in China, and not in Texas alone, this area of agriculture activity has been one of many woes. Many granaries were haphazardly built. Others were created from decrepit temples or ancestral shrines; many were without windows and doors. It is reported, however, that all have fences or walls to prevent theft.

In Kwangsi, of 740,000 tons of grain inspected, 83 percent was spoiled by worms. In a granary in Shensi, 30 percent of the contents were mildewed, and 40 percent were sprouting. When the famine became acute, late in 1960, a People's Daily editorial showed that the total amount of grain stored in Communist China was unknown. Since 1961, Peiping has imported grain. The real

situation apparently is now known. The peasants have nicknamed the food supply system as based on "the five don't-knows." They do not know how much grain is harvested, do not know how much is eaten, do not know how much is in the commune kitchen, do not know how much is stored in the granaries, and do not know how long the store will last.

The article written by Mr. Chu is a detailed account of many of these and similar stupidities in planning and execution—many of the tragedies visited upon a country which had done better by far without the Communist bureaucracy and tyranny.

Experience in Communist China, as well as in Russia, proves conclusively that governments cannot farm. It is hoped America will realize this before it is too late.

By means of his article, Mr. Chu has rendered a splendid service in connection with putting into proper focus the picture of present-day Communist China.

Mr. President, I ask unanimous consent to have printed in the *RECORD* Mr. Chu's article, entitled "The Famine Makers, a Report on Why China Is Starving." The article was published in the June 11, 1962, issue of the *New Leader*.

There being no objection, the article was ordered to be printed in the *RECORD*, as follows:

**THE FAMINE MAKERS—A REPORT ON WHY CHINA IS STARVING**  
(By Valentin Chu)

In the third century, B.C., the ruler of a Chinese kingdom suffering from a severe famine sought advice from the sage Mencius. The king had been energetically shifting his people and his resources about the country in an all-out effort to alleviate the starvation and to govern effectively. Yet the nation failed to prosper. He wondered why.

Mencius told the king: "If the seasons of cultivation are not interfered with, the grain will be more than you can eat. If close-knit nets are not cast in the pools and ponds, the fish and turtles will be more than you can eat. If axes enter the hills and forests only at the proper time, the wood will be more than you can use. But your dogs and swine eat the food of men, and you curb them not. People are starving by the wayside, and you open not your granaries. When people die, you say: 'I am not responsible; it is the year.' What difference is this from stabbing a man to death and saying: 'I am not responsible; it is the weapon?'"

Twenty-two centuries later Mao Tse-tung, the ruler of another Chinese empire suffering from famine, is energetically moving his people and his resources all over the country in a similar effort to govern effectively. He, too, must wonder why hunger remains the plague of his people. And it is something to wonder about. For during the decade 1949-59 Communist China's food increase was seven times its population increase. Even under the severest natural conditions, there should have been enough reserve to forestall a famine. The answer to this riddle can only be understood after a long look at both China's traditional agricultural economy and the program of the present regime since its takeover in 1949.

The land of China, slightly larger in area than the United States, is hardly ideal for agriculture. China is more mountainous than the United States, the U.S.S.R., or India. Almost 70 percent of its land is over 3,000 feet above sea level, and only 15 percent is under 1,600 feet. Its climate varies from subtropic summer to Siberian winter.

Arable land on the mainland amounts to 264 million acres, or only one-tenth the total area. Of this, 30 percent is good soil, 40 percent medium quality, and the rest inferior. To maintain a subsistence level four-fifths of China's population has to toil on one-tenth of its land. In Soviet Russia, half of the population works on one-eleventh of the land to provide a meager standard of living. In the United States, one-eighth of the population farms one-fifth of the land to create a national overweight problem and pile up great surpluses.

The trouble with the Chinese is that the fecundity of their soil can never match the fecundity of their loins; in their land it is easier to breed than to feed. But too little arable land and too large a population are not the only problems. In China a year without natural calamities is indeed a year for thanksgiving. The country's peasants have always been at the mercy of their eroded mountains and capricious rivers.

China's history records 1,397 serious droughts since Christ was born. Floods have also been disastrous. The Huai River, draining an area 6 times the size of the Netherlands but without a mouth of its own, flooded its valley 979 times in 2,200 years. The mighty Yangtze River, the world's third longest, in whose valley nearly half the population lives, had 242 floods and droughts in 265 years. From mythical times there have been attempts to tame the Yellow River, known as "China's Sorrow." This 2,900-mile river, with a basin equal in area to Italy, Switzerland, and Norway combined, devastated its plain 1,500 times in 3,000 years, and made nine major changes of its course, swinging its mouth in wild arcs up to 500 miles long.

Add to all this, frequent duststorms in the arid northwest, typhoons along the coast, insect pests everywhere, rare but severe earthquakes, and it can be seen that the lot of the Chinese peasant has been tied to natural calamities. Because the peasants obtain three-quarters of their food directly from their own land, when famine strikes it always means hunger and often means starvation. One million people were killed in the 1887 flood alone. Some 800,000 lost their lives in the great earthquake of 1556, and another 246,000 perished in a similar disaster in 1920.

Moreover, after many centuries of exploitation by a vast farming population, China has very little natural vegetation left. Forests make up only one-tenth of its total area (about 80th down the list among the world's countries on a percentage area basis). The water-holding capacity of the soil is therefore extremely poor, and excessive runoff is a major cause of floods. Another major cause is the breaching of dikes. The Yellow River, the world's siltiest, deposits enough sediment on its delta to fill up one and a half Empire State Buildings daily. For hundreds of miles it flows between dikes on a riverbed high above the surrounding countryside, with the silt raising the bottom continuously. A single breach can empty the entire river onto the flat, densely populated Yellow Plain for as far as the eye can see, sometimes inundating the region for as long as a year. Many other rivers in north China have similar skyway riverbeds between precarious dikes, and floods in this area are the most destructive. When too much water goes to one place, there is bound to be too little elsewhere. And in China drought occurs oftener than floods, is even more destructive and more extensive in area, and lasts longer.

Since historically China is a land of catastrophes, it is tempting to conclude that the current famine is just one of those things. This is not so. True, Peiping has publicized the natural causes and played down other factors. But the present famine is due not so much to sudden dramatic blows from

nature as to the grave errors of a bureaucracy highly efficient in control but childishly lacking in commonsense. A sizable portion of the floods and droughts which China has suffered during the past few years have been aggravated, and at times directly caused, by a decade of pseudoscientific methods in farming, irrigation, and soil treatment. Each year since the Communists came to power in 1949, the total area of farmland affected by natural calamities has risen steadily: It was only 13 million acres in 1950; 29 million in 1954; 38 million in 1956; 78 million in 1958; 107 million in 1959; and 148 million in 1960. It is safe to assume that the 1961 total, although never officially announced, was probably at least as large as 1960's.

What China is now facing is no common natural disturbance, affecting a few provinces for a short time. It is a nationwide exhaustion of the land and the people, the cumulative result of 12 years of abusing nature and human nature. Peiping's search for a breakthrough in agriculture has resulted in a breakdown.

In the beginning, the Chinese Communists attempted to implement a titanic program of farm mechanization on the Russian or American scale. But unlike either the Soviet Union or the United States, both of which have vast plains that are thinly settled, China's huge population is extremely dense wherever the land is arable. Most of the farmland consists of cut up wet paddies or terraced hillside plots where modern tractors are of no use. The United States has 5 million tractors, the U.S.S.R. 1.7 million. China has fewer than 33,500 tractors, with some 6,700 in disrepair, but despite their limited usefulness this is less than 4 percent of the number required as estimated by the regime. In October 1957 the *People's Daily*, Peiping's official organ, finally had to admit: "It is too early to talk about general mechanization. We have no oil, too few animals. Steel is expensive. The cost of machinery is prohibitive."

Attention was then turned to "semi-mechanization," which meant improved animal-powered farming implements. The glamour star of "semimechanization" was the double-wheel double-share plow, an ordinary all-metal plow pulled by animals. With great fanfare, Peiping turned out 3.5 million double plows in 1956 and 6 million in 1957. But they were a flop. Not only were they too heavy for China's wet paddies and terraced fields; they were also badly manufactured, with many brandnew plows missing parts. Soon peasants all over the country refused to use what they called the "sleeping plow." Peiping accused the peasants of "hostility toward innovations" and "backward conservatism." But 6 months later the production of a new, lighter model was announced.

Lately, the regime has been encouraging the use of small, handmade instruments. The quality of the newly made small implements, however, leaves much to be desired. A recent *People's Daily* editorial recalled wistfully the days of the pre-Communist peasant, when "a hoe would last three generations, the property of the man who used it, repaired it, and cared for it." Today a hoe often does not last one season, especially when it is made of the "steel" from the backyard furnaces. Nor does the peasant own it, repair it, or care for it. Instead, the small implements are "lost, wasted, or destroyed \* \* \* left scattered in the open air in the fields where rains and winds ruin them."

Mechanization having failed as a panacea, Peiping has been trying its luck with fertilizer. Each winter since 1957 tens of millions of peasants and city residents have been taking part in fertilizer marches. With gongs clanging, drums beating, and red pennants fluttering in the scented breezes, these brigades, singing and moving in military formation,



transport their precious commodity to the fields. In wooden buckets, bamboo baskets, tin cans, and earthen pots slung from bamboo poles, or in makeshift carts pulled by children, the brigades carry the excrement of China's 700 million human beings and 265 million farm animals, plus sewage silt, garbage, river mud, peat, green meal, fumigated earth, chimney ashes, brackish water, and industrial waste.

For all its bizarreness, the fertilizer drive is intended to make up for a real agricultural deficiency. Communist China produces less than 3 million tons of chemical fertilizer a year; it needs at least 10 times that amount. Peiping cannot afford to build enough modern fertilizer plants or to import fertilizer from abroad, and China must still depend largely on compost. The population daily returns to the earth, in the form of manure, more than 700 tons of phosphorus, 1,200 tons of potassium and a large amount of nitrogen. Yet human and animal excrement, green compost, and river mud have been used by Chinese farmers for 40 centuries. Thus, the fertilizer drive has not really increased fertilizing strength, even though mixing compost with adulterating ingredients has increased the total tonnage.

In the summer of 1958, after it took over direct control of agriculture, the party ordered nearly half of the cropland deep plowed and close sown. But such practices demand discretion and careful coordination with fertilization. The regime acted indiscriminately, with the result that many plants either weakened or died, and much soil was debilitated. By the fall of 1959 Peking conceded: "What we gained was not up to what we lost."

Further damage was caused by the so-called Battle of Crops. In its early stages, this involved an ambitious simultaneous assault on agriculture, fishing, animal husbandry, and forestry. The result was a reduction in the food crop. The regime then reversed its policy: Concentrate on food crops; ignore subsidiary activities. So the party kanpu (cadre) had hundreds of thousands of acres of cotton, hemp, tea, mulberry, peaches, oranges, lychees, and bamboo razed and turned into unstable, unfit, ill-conditioned fields for wet rice, wheat, and potatoes.

In agricultural China each valley and plain has its own special combination of soil, climate and economic requirements. Over the centuries, the peasants have learned which crops are the best and the most profitable. In a silk-producing area near Canton, for example, the peasants engage in fish culture as a sideline. They use the waste from the silkworms to feed the fish, then dig up the fertile mud from the fish ponds to fertilize mulberry trees, the leaves of which are fed to the silkworms. Everything is used, nothing wasted. When the mulberry trees in a village near Canton were razed by zealous party robots to plant rice, the entire cycle of agricultural economy was upset. Similar disruption was caused by plowing too deeply, sowing too closely, planting too early, using the wrong crops or wrong seeds, employing too much or too little or inadequate fertilizer, and not fallowing fields that should have been fallowed. All these mistakes dealt the harvests a severe blow.

The 1959 locust disaster is another enlightening example of the party bureaucrats' knack for worsening natural calamities. In early April of that year, peasants in Honan discovered some young locusts and reported their find to the commune's kanpu. But the kanpu scolded the peasants: "The corn and soybean have just sprouted and the wheat will ripen soon. We don't even have enough people for weeding and fertilizing. How can we divert labor for insect pests? We must take care of urgent business first." The peasants then appealed to the county party commissar. They were again pushed

aside: "Little ghost and big fright! You saw an insect and you bring us a heap of blind words. We shall have an insect-destroying campaign someday anyway. Why make the fuss now?"

Two months later the crops in two counties were eaten up by locusts in 1 night. Immediately the provincial party secretary pushed the panic button and issued a set of "Regulations Pertaining to the Swift Extermination of Locusts." During 3 days in mid-June, 1.3 million peasants were hurried into a sea of locusts for an epic extermination battle. By then, however, it was too late. Crops, grass, and tree leaves on a million acres in 48 counties in Honan were stripped clean. The locusts next invaded the neighboring provinces of Anhwei, Kiangsu, and Shantung, damaging nearly 5 million acres of farmland in 179 counties. Peasants from 6 to 80 were pressed into the fight. Airplanes were used to spray insecticide. But the spraying, done with frenzy and inexperience, killed 100,000 farm animals. By Peking's own estimate, insect pests damage 10 percent of the country's grain, 20 percent of the cotton, and 40 percent of the fruits every year.

Given China's limited means, water conservation seems the only practical means of improving the country's agriculture. In sheer quantity, China has plenty of water, but its distribution is lopsided. Every year 668 cubic miles of water flow over the mainland's 3.6 million square miles of land, averaging 12 tons of water for each person daily. Three-quarters of this water, however, is in the Yangtze Valley and south of it; North China has less than 5 percent.

The regime claims that during the first 10 years of its rule the nation's irrigated area increased from 40 million to 180 million acres. Official figures speak of 40 billion man-days used to dig 105 billion cubic yards of earth (equivalent to 450 Panama Canals, or a wall 3.3 feet high and wide girdling the earth 2,000 times). The work, according to Peking, consisted of building or repairing some 60 large reservoirs, 1,000 medium ones, 4 million small reservoirs and canals, 74,600 miles of dykes, 15 million farm weirs, and 10 million wells.

The official statistics are impressive. One imagines millions of Chinese peasants, ant-like and faceless, digging and hauling all over the land, disciplining the savage rivers and salving the fields with gentle moisture. With this image in mind, it is even possible to rationalize that the misery of millions forced to labor today might bring some good to additional millions who will inherit the land tomorrow. But the fact is that China's water conservation efforts have done more harm than good. Indeed, they are an important factor in the current famine.

Until 1957, Peiping concentrated its energies on big, hydroelectrically oriented dams. Many of these expensive projects were either ill planned or badly executed. The largest and most important project was a TVA-like system to regulate the Yellow River and its tributaries; by the time the river passed the vicinity of Kaifeng and reached the flat Yellow Plain, its flow was to be controlled. When the project was initiated Peiping proudly announced that the Yellow River, perhaps the world's most unmanageable body of water, would not only be tamed forever but that by 1961 its lower reaches would be crystal clear.

The key to the Yellow River system was to be the mammoth Sanmen Gorge Dam, at a point just before the river leaves the mountains. To protect it, 59 high dams were to be constructed in the upper river. By 1956 half of the high dams were completed. The same year, floods destroyed or silted up almost all of them. Despite a Chinese specialist's warning to reexamine the whole plan, the Sanmen Gorge Dam, with a 1-million-kilowatt powerplant, was started in

1957. The dam was planned, model tested, and supervised by Russian technicians. Because of structural defects, its design and construction had to be altered time and again. In 1958 there was another flood, and this time 70 percent of the swollen water came from below the Sanmen Gorge. An official technical journal, Water Conservation and Power, then admitted this proved that even after the completion of the project, major floods could not be prevented.

Another big pride of Communist China's hydraulic engineering is the much-ballyhooed Futseling Reservoir and powerplant in Anhwei. This project was completed with Russian aid in 1954. Soon after the Hwai River overflowed its banks and inundated the entire plain the reservoir was supposed to protect. Five years later the reservoir was still not functioning: The sluice gates had turned out to be heavier than designed, and it was feared that they would not open when the reservoir was filled with water. A similar fate befell the Yungting Reservoir tunnel near Peking, which was also opened with a loud blast of propaganda. After the hosannas came the flood, inundating 7 million acres and washing away 2.6 million houses. Then there is the incident of the Tahuofang Dam, the country's second biggest reservoir, near Fushun in Manchuria. After a year's work on it, construction had to be halted in 1954 because it was discovered that the structure had the consistency of rubber.

Some of the mistakes are almost unbelievable. During the dry season, fields in many areas could not get a single drop of water even though the reservoirs were full. It was discovered that no one had been ordered to build water conveyance systems for the reservoirs—no sluice gates, no canals, no ditches. In June 1959, the People's Daily summed up the results of many of the large-scale projects: There are reservoirs without water, reservoirs with water but without aqueducts. A great number of flood-prevention works which have to be renewed yearly were not renewed, or, if they were started, were not finished. And Water Conservation and Power reported that a number of hydroelectric dams were leaking badly, that many reservoirs look all right as long as water is not let in, and that on some projects equipment was installed but no power could be produced. Medium and small works, by Peking's own admission, have fared even worse.

Water conservation is a complicated science. It requires detailed study, careful surveys and coordinated planning. The planners must have intimate knowledge of river flow, flood history, silt content, topography, soil characteristics, water tables, weather patterns and the needs of surrounding areas. But Peiping has never had any overall water conservation plan. Technical direction often has not matched actual working conditions. Quality has always been less important than quantity and speed. For large projects, there has never been enough steel and cement available. For smaller ones, only earth and stone have been used because of shortages. Everywhere substitute materials and shortcuts in construction have been favored—and praised as "technical innovations." Is it any wonder that China has registered such spectacular water conservation failures?

The dam fiascoes touched off an orgy of canal digging in 1958-59. Peiping finally realized that the much-vaunted huge projects, which had so impressed foreign visitors, often turned out to be mere monuments to stupidity. In 1958, the year of the great leap forward, it turned its attention from big dams to regional irrigation projects of medium and small dams, wells and, especially, canals.

In August of that year, the Party Central Committee announced a stupendous project: a network of canals which would crisscross the entire area of the China Plains and link

the three great rivers—the Yellow, the Yangtze, and the Huai. The canals were to be of five sizes, ranging from small irrigation ditches to large ones accommodating 3,000-ton ships. They would serve as inland waterways, as a gigantic reservoir, and as a water-regulating system to bring water from south to north China. When the plan was announced, millions of peasants had already been digging for months. By early 1960 half of the canals in some provinces were completed.

But after months of confused experience, the small canals proved inadequate. They were too numerous, creating problems for future farm mechanization. They were also too small, providing little protection in times of flood or drought. To further complicate matters, the village kanpu in charge of digging were unclear about the various canal measurements, and they varied greatly. In the winter of 1958 the plan was revised: Small canals already dug were abandoned or filled up; medium and large canals were dug at relocated sites.

The frenzied canal digging created problems undreamed of in the Communist philosophy: The canals took away much valuable farmland. They leaked badly (in many cases 60 percent of the water escaped). In some areas where the water table was near the surface, excessively deep canals drained the land, creating an artificial drought where none had existed. In other areas, mainly in dry north China, where the water table was low and the soil unleached, water leaking from the canals raised the water table, thus accentuating capillary action through the lime-rich earth. This brought up harmful salts and alkali from the subsoil and formed a crust on the surface after evaporation, spoiling formerly dry but good farmland. By 1959, the People's Daily sensed something was wrong: "During the past 1 or 2 years, the alkalization of much soil in many irrigated areas in the North has spread." But the canal digging went on. In 1960, the same paper again reported that saltpeter, which normally appears only in serious drought, had affected millions of acres of farmland. And in April 1961 the Kuang Ming Daily noted that "arable land is continuously shrinking and alkali soil spreading."

In a country like China, where the water balance has already been upset by centuries of intensive cultivation and population weight, the best place to store water is not behind big dams or in sloppy canals, but underground near where it falls. Not surprisingly, Peiping has also had insanely grandiose reforestation plans. The original great vision program—no longer mentioned today—consisted of a number of bold reforestation projects, which included two "green great walls." One was to be a 1,000-mile protective windbreaker, starting from the Chinese-Korean border, winding along the China coast, and ending at the mouth of the Yangtze. The other, equally long, was to be a forest shield against the sand from Outer Mongolia. It was to start from the vicinity of the Old Silk Road in Kansu, cut across the sand dunes of the Alashan Desert and the Ordos Desert in Inner Mongolia, and end at the great bend of the Yellow River.

In early 1956, a campaign to "green up China in 12 years" was begun. The job would be easy: "If every one of the country's 500 million peasants plants 2 trees each year, we shall have 1 billion trees in a single year." Peiping believed that in 12 years it could change China's arid land, barren hills, and deserts into 160 million acres of sylvan delight. So millions of school children were ordered to plant trees all over the country. In most cases the entire program consisted of digging holes, inserting cuttings or saplings, and watering them for a few days. Then the human sea surged in other direc-

tions, for other campaigns, and the trees were left to die of thirst.

While reforestation surged up and died off, deforestation seemed to progress systematically. Forest fires and the incidence of tree diseases have increased. Artificial deforestation has also been on the increase, especially since 1958. Farm cooperatives and communes have set their cattle to graze on saplings, and have chopped down roadside trees and whole forests for timber or to "open virgin land." During the 1958 steelmaking campaign many mountains were stripped bare for fuel. A commune in Kwangtung close shaved 13 forest-covered hills in one swoop. Timber industries in forest areas, led by quota-conscious kanpu, competed with each other in cutting down big and small trees without replanting. Even saplings were not left to protect the soil, which soon became barren. Since the 1958 Great Leap, the Chinese have been too busy making steel, digging canals, and fighting calamities to worry about reforestation. But deforestation is continuing at an even faster pace, reducing the already poor moisture-capturing capacity of the soil, extending the erosion area, heightening excessive runoff of rainwater, and insuring severe damage from floods and droughts for generations to come.

The foolish squandering of resources and manpower on big, haphazard projects before 1958, and the wanton canal digging since then, has deteriorated the water and soil in China's richest farming regions. It is no coincidence that the worst droughts of the past 4 years have taken place in the very provinces where millions dug canals from 1957-59. The entire hydrologic cycle in China is now upset by faulty water conservation and deforestation. Communist China has unwittingly changed nature.

While food coming out of the earth is decreasing, crops already harvested are increasingly spoiled or wasted. For centuries wasting food was considered a sin in China. Under the Communists a good deal of food is unnecessarily spoiled. Many granaries are haphazardly built; others are created from decrepit temples or ancestral shrines; still others are without doors and windows—though all have fences or walls to prevent theft. One year an investigation revealed serious conditions in grain storage in seven provinces. In Kwangsi, for example, of the 740,000 tons of grain inspected, 83 percent was spoiled by worms. One granary reported 10 percent of its grain mildewed. Another, in Shensi, had 30 percent mildewed and 40 percent sprouting. The party kanpu in charge of food supply in the communes are nicknamed by the peasants: "The Five Don't Knows": They don't know how much grain is harvested; don't know how much is eaten; don't know how much is in the commune kitchen; don't know how much is stored in the granaries; and don't know how long the store will last. When famine became acute late in 1960, a People's Daily editorial revealed that the total amount of grain stored in Communist China was unknown. It launched a national campaign to weigh the stored grain, explaining: "We shall only know the real situation if we weigh and clearly account for the food grain collected." Since 1961, Peiping has imported grain. The real situation, apparently, is now known.

The efficiency of China's farm labor, low in the old days because of inadequate equipment, has been lowered even further by Peiping's administrative epilepsy. The peasants always worked hard; each knew what to do and how to do it with the limited means available. Today, they are told how to plow, when to sow, and what to plant. They are pressed into a robot army and maneuvered with human-sea strategy and commando tactics.

In the winter of 1955, many millions were "volunteered" into constructing dams and dikes. The following summer, when it

was found that subsidiary farmwork had slumped to half its normal amount, they were shunted back to the fields. In some provinces the party ordered up to 40 percent of the peasants to stick to subsidiary farmwork, although drought was spreading. Left unharvested, much rice and sweet potatoes were damaged by the drought. When this was discovered, the peasants were hurried back to plant more food crops. Meanwhile, the half-finished dams and dikes they had left were damaged by floods.

In 1958 some 60 million people, most of them peasants, were told to make village steel, creating a labor shortage on the farms. In many areas fertilizer was not put into the fields and rice was not harvested in time. Forty percent of the land in Hopei Province that needed sowing was left untended. In north China cotton and potato picking were not done on time. Elsewhere 650,000 tons of tobacco leaves were plucked but unsorted, and the damp leaves began to spoil. For three consecutive winters, up to 70 million peasants were commandeered to dig canals. More recently, the peasants have been recruited to fight flood and drought. The number of calamity fighters now exceeds 10 million in each seriously affected province. When the fertilizer drive was on, 80 million had to forage for manure. When there was a coal shortage, 20 million were sent to the hills to dig for dubious fuel.

The madcap use of farm labor is responsible for at least one unnatural disaster, the "weed calamity." This term was coined by the Communists to denote fields left unplanted or unattended which subsequently were found covered with weeds. The weed calamity first came to light in 1959. By the fall of 1960 weeds were reported in at least 13 provinces, from northern Manchuria to Kiangsu, and covered 20 percent of China's farmland. In many areas the weeds were taller than the crops. In Shantung one-third of the farmland was covered by weeds, which at places grew so thick that a "man was unable to walk into the fields." Soon the Ministry of Agriculture sounded another alarm, this time to fight weeds. Peasants, city people, students, civil servants, and even soldiers were ordered to forsake whatever they were doing and handpick weeds from the fields. In Hopei, 6 million were mobilized; in Shantung, more than 7 million. In Liaoning, two-thirds of the students and civil servants from the cities were diverted to the countryside. In Shansi, half of the total farm labor was used.

The more the peasants work under the party's blundering policy, of course, the less they produce. And the less they produce, the more they have to work. The end result is debilitating famine.

At present, an ordinary resident in show cities like Peiping and Shanghai receives a small ration of inferior rice or flour, plus a monthly allotment of about half a pound of pork, 3 ounces of sugar, and 3 ounces of edible oil. For a small quantity of vegetables, he has to line up as early as 3 a.m. Eggs, poultry, and fish have virtually disappeared. The peasant in the commune receives much less—usually two bowls of semiliquid gruel or paste, made from bad cereals, gritty flour, or sweet potatoes, for each meal.

Since 1959, Communist China has officially ordered the eating of rice husks, bean waste, potato leaves, pumpkin flowers, wild plants and algae. During the past two winters, each province sent from a half a million to 3 million peasants and city dwellers to forage for wild plants in the hills. Newspapers praised the high nutritive value of wild plants and recommended recipes for these and other novel foods. Rice straw, soaked in lime solution, dried, ground into powder and mixed with flour, is made into cakes and served in restaurants upon surrender of ration coupons.



China's streets and villages, formerly cluttered with friendly dogs and cats, are now empty of domestic animals. Common birds such as sparrows, pigeons, crows and cuckoos are also gone. Some 2.2 billion sparrows were systematically exterminated as predatory birds in a nationwide campaign. The campaign ended when a sizable increase in predatory insects was noted.

The appearance of a wild rabbit or a crow in China today is an occasion for a mass hunt for extra food. Sweetpotatoes, turnips and other vegetables grown in city suburbs must be guarded throughout the night, or they will be stolen by city people who raid the fields and sometimes eat the loot on the spot. Beggars openly wait by restaurant tables for leftover food, often grabbing food from the patrons. Policemen merely shrug at such petty crimes. The blackmarket is growing, supplied by corrupt Communists controlling food supply centers. Blackmarket rings sometimes have their own sampans and armed escorts.

Until late 1960, Communist China limited food parcels from Hong Kong and Macao. Immediately after the restrictions were lifted, the tiny Hong Kong post office was buried under a daily avalanche of 50,000 food parcels from frantic relatives; at present, more than 200,000 parcels are sent daily. The little British colony now has more than 1,000 firms specializing in sending food parcels to China. Not long ago, Hong Kong Communist newspapers eagerly quoted a Japanese visitor to China who said, "I did not see any hunger in Peking." On the same pages where this story appeared were advertisements of firms offering to deliver food parcels to China with such screaming titles as "Fast, Fast, Fast" and "Rocket Speed."

A normal man in the Far East, according to the United Nations' Food and Agriculture Organization, requires a minimum of 2,300 calories of food daily. In food-short India, according to a United Nations survey, the daily average intake is 2,000 calories. In prewar China it was 2,234 calories. At present, a great number of Chinese peasants, who must put in 14 to 18 hours of hard labor a day, receive less than 1,000 calories.

Like most Asian countries, China has always had major public health problems. Modern doctors number only 1 to every 10,000 people. Except for those in the big cities, people have to depend on the traditional herb doctors, who are good at common ailments but have little knowledge of contagious diseases and surgery. In certain rural areas diseases like schistosomiasis (a chronic intestinal malady involving enlargement of the liver and spleen), hookworm and beriberi have always been common. But the bulk of the population has fared well perhaps because of strong immunities and wise eating habits. Except for fresh fruits, the Chinese have never eaten uncooked food or unboiled water. And most Chinese food is eaten piping hot.

During the first few years of Communist rule, a real attempt was made to improve health. Notable were the campaigns of fly swatting, rat exterminating, and street sweeping, all amply reported by foreign visitors. But since the mid-1950's, and particularly since the "great leap," conditions have changed drastically. Drinking water in the communes is no longer boiled, because of fuel shortage, although in many villages water is often taken from polluted creeks and ponds. Manure, green compost, and garbage are handled with bare hands during the fertilizer drives. Newspapers often praise fertilizer heroes who, after handling manure, refuse to wash their hands as a patriotic gesture. And collective working and living without adequate sanitary precautions has resulted in widespread food poisoning and epidemics.

According to recent refugee information, one out of three or four peasants have dyspepsia. It is not uncommon for laborers

working in the fields to collapse and drop dead suddenly. A former Government technician from Nanchang has reported that in his bureau 20 percent of the civil servants had liver inflammation or infectious hepatitis. A nurse from Peking said 10 percent of her colleagues were hospitalized. Hospitals in all cities are full of patients suffering from hepatitis and other diseases, but only serious cases are admitted. Tuberculosis is also spreading widely, but sufferers are not even treated, because TB is less alarming than other prevalent diseases. Many babies are born dead. Families of people who die have to make reservations at the busy crematoriums; those who supply firewood get priority.

These grisly firsthand accounts are supported by the official press in its guarded but still revealing stories. In July 1959 the Honan Peasant's Daily, a provincial paper not even allowed outside Honan, divulged that many peasants were dying from malnutrition and overwork. During 2 summer weeks in 1959, 367,000 peasants collapsed and 29,000 died in the fields of Honan. In the same summer 60,000 peasants collapsed after 6 days and nights of floodfighting with little sleep or rest. Other press reports reveal that during similar periods 7,000 peasants died in the fields in Kiangsi, 8,000 in Kiangsu and 13,000 in Chekiang.

Epidemics have been developing in China for 4 years, though their full extent is not known. At first the press was able to cover up the situation, but during the past 2 years there have been partial admissions and reports of "seasonal contagious diseases." Moreover, the Minister of Health, Li Tsch'uan, recently admitted that in 1959 a total of 70 million cases of schistosomiasis, filariasis (parasitic worms in the blood), hookworm and malaria were treated. She has also admitted that influenza, measles, diphtheria and spinal meningitis are spreading at water conservation sites, in commune nurseries and primary schools. In April 1960, too, the People's Congress revealed that kalaazar (infection of the liver, spleen and bone marrow, especially prevalent among children) was spreading; that ke-shan (a disease caused by infected water) had erupted in Inner Mongolia; and that there was large-scale chemical poisoning in industrial cities. Six months later, an emergency public health committee warned that careless handling of manure, garbage and dirty water had spread all kinds of diseases: schistosomiasis, tapeworm, hookworm, diphtheria, typhus, liver inflammation and animal diseases.

Actual epidemic conditions have never been publicly reported. They can only be gathered from press reports about large numbers of public health teams rushing madly from cities to unnamed rural areas at short notice. In the spring of 1960, some 500,000 city people from 8 provinces were sent to the countryside to enforce emergency public health measures. In the summer of that year, 110,000 were sent to villages in Szechwan, 60,000 to Hunan, and 2,000 to Fukien. According to refugees, cholera killed 30,000 to 50,000 in Kwangtung last year alone. After the plague spread to Hong Kong, Macao, Indonesia, and North Borneo, Peking finally admitted the outbreak of cholera to the Geneva Red Cross.

The regime is worried not so much about the people's suffering, however, as it is about the loss of manpower. The basic rule was sternly laid down by the People's Daily in late 1959: "The point of departure is production. It must be our unwavering determination in fighting pests and extinguishing diseases that this work shall be subservient to production. Public health as a purpose in itself—a bourgeois way of thinking—should not be permitted."

When a government fails to fill its people's stomachs, it finds it even harder to wash their brains. Escapees report that food riots

occurred throughout south China in 1960 and 1961, with many killed. Tens of thousands of peasants have deserted famine-stricken northern Kiangsu and converged on once-prosperous Shanghai, searching for food. Other groups are moving from Chekiang into Fukien. Of course, only last month 70,000 from Kwangtung sought refuge across the border in Hong Kong.

In December 1960, workers at the Anshan steel mills and the Fushun coal mines, China's biggest steel and coal centers, staged a strike demanding food and cotton as wages. Later, in Sian, students of 38 colleges and high schools turned a memorial meeting into an anti-hunger demonstration. Similar demonstrations broke out in Szechwan cities. In Hunan, soldiers sent to pursue granary robbers deliberately let the thieving peasants escape. In any army barrack in Kiangsu, soldiers refused to get out of their beds for morning drills, protesting against short rations, which have now affected all the armed forces. And a strong, well-organized underground movement is making its presence felt repeatedly in Shanghai, where most of modern China's revolutions have begun.

All this could be a mere straw in the wind. Impulsive demonstrations and spontaneous food riots are no match against a monolithic regime with a powerful secret police and armed forces. But if overt resistance is not effective at the moment, the conditions breeding it are likely to persist and will probably get worse. Thus the monolithic picture could be deceptive. No one realizes this more than the Chinese Communists themselves. Peiping recently resuscitated the regional political bureaus to tighten its control over the provinces. It has replaced militiamen in strategic areas with regular troops, and steadily moved stored grain from the communes to bigger granaries near cities, which are easier to guard.

Communist China is estimated to have 2.5 million regular troops and 20 million militiamen. The militia is no longer trusted because it is part of the local peasantry. Nearly 90 percent of the regular troops are recruited from the peasantry. Their families, who formerly received special privileges, are now living the same hard life as other peasants. The morale of the regular troops will become an increasingly significant factor if peasant livelihood is not improved. Furthermore, among the peasants and water conservation workers there are 10 million demobilized soldiers. These veterans are the bitterest and the most articulate complain-ers. Since 1958, a vast number of low-level kanpu, who have been sent to the countryside to live, work and eat with the peasants, have been infected. They have been repeatedly blamed by Peiping for being afraid of the peasants and for their misguided sentimentality.

It would be highly unrealistic to ignore the significant realignment of forces which has taken place in China during the past few years. Many westerners tend to appraise the Communist regime by simply gawking at its production statistics, or weighing its military equipment, or guessing what is up its diplomatic sleeves. They seldom try to probe into the crosscurrents of China's complex economy, or the subtle psychological undertow of its silent millions. This is food for thought for the free world.

#### POSSIBILITY OF FEDERAL ACTION CITED IN EAST TEXAS OILFIELD DRILLING PROBE

Mr. YARBOROUGH. Mr. President, I wish to bring to the attention of Congress information concerning the latest developments in the massive east Texas oilfield drilling scandal. On several days in the past 2 weeks, editorials in

the Dallas Times Herald, one of the five largest newspapers in Texas, have stated that this mammoth theft of oil is approaching \$6 million in value a month, and that over the course of 25 months, at the rate of theft, \$150 million worth of oil will have been stolen in violation of Federal law.

I wish particularly to call attention to an article published by the Associated Press, which states that there is the possibility of Federal prosecution in the oil-drilling scandal under the Connally Hot Oil Act.

I ask unanimous consent to have printed at this point in the RECORD an article entitled "Order Prohibiting Oil Well Plugging Extended," published in the Houston Post of June 13, 1962, and also an article entitled "Court Action Viewed in Etex Oil Scandal," published in the Dallas Times Herald of June 15, 1962.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Houston Post, June 13, 1962]

**ORDER PROHIBITING OIL WELL PLUGGING  
EXTENDED**

AUSTIN.—The Texas Railroad Commission Tuesday extended for 30 days its order forbidding operators in the east Texas oilfield to plug their wells and thus interfere with the massive oil-stealing probe.

The commission's original 15-day order was due to run out at the end of this week, but was extended at the request of the attorney general's office which has hired private crews to survey suspected wells.

The action came after Assistant Attorney General Houghton Brownlee told the Associated Press that the first round of surveys to find crooked wells in the rich field might not be completed by the tentative deadline of Saturday.

Attorney General Will Wilson said originally that he hoped the first round of directional surveys in the field would be completed by this week.

However, Brownlee said Tuesday, "It's not going as fast as we originally thought. We might finish by the end of the week, but it looks doubtful now."

Railroad Commission Chairman W. J. Murray said recently that the surveys were not being completed as fast as planned because of unfamiliarity with some of the well hook-ups.

"It's like going into someone else's kitchen to bake a cake," he said. "It takes a little longer to find out just where the salt and sugar and flour are."

The private crews hired by the State to do the directional surveys completed No. 21 Monday and scheduled six more for Tuesday. Wilson said that directional surveys are not being done unless inclination surveys first show that a well has been illegally deviated—slanted or curved—to take oil from nearby leases.

The relatively quick and inexpensive inclination surveys done by the railroad commission can show whether a well is illegally deviated. However, the more time-consuming and costly—about \$800—directional surveys must then be run to find out exactly how much slant there is.

Brownlee said that investigators are running into elaborate devices to disguise illegal operations in the field.

One of the devices, he said, is to hook up several low-producing or nonproductive wells to an illegally slanted well and make it appear that oil is coming from all of them.

On one lease, Brownlee said, an investigator found a maze of buried plastic pipe

connected to a buried electric switch which turned on and started oil flowing from dummy wells when someone kicked a rock on the surface of the ground.

The plastic pipe was used instead of metal pipe, he said, so that investigators could not find it with mine detectors.

[From the Dallas Times Herald, Friday, June 15, 1962]

**COURT ACTION VIEWED IN ETEX OIL SCANDAL**

AUSTIN.—State court action against operators who drilled slanted holes in the east Texas oilfield may come in a month or 6 weeks, Attorney General Will Wilson said yesterday.

Wilson said the facts of the crooked hole drilling become more startling as he goes further into the case.

Wilson, the Texas Railroad Commission, and the State department of public safety are investigating the wells which allegedly are slanted in order to siphon oil from nearby leases. Federal authorities are looking into the case also.

"I think we have just touched one corner of the situation," Wilson said.

The suits, which Wilson's office is contemplating, could seek up to \$1,000 a day for each day an illegally deviated well was in operation.

Along with State action, there is the possibility of Federal prosecution under the Connally "Hot Oil Act" and civil damage suits being filed by lease owners who lost oil to deviated wells.

Directional surveys have been made on 23 wells in the last 2 weeks. The surveys are not conducted unless earlier inclination surveys by the Railroad Commission show that the well hole is slanted more than 3° from straight down.

Wilson won restraining orders on four more leases yesterday prohibiting operators from interfering with the commission's surveys. Similar orders now cover 32 leases.

One commission employee has estimated that before the tests are completed, 160 wells will be surveyed. Wilson estimates this at several hundred.

**AGREEMENT BETWEEN UNITED STATES AND BELGIUM FOR COOPERATION ON THE USES OF ATOMIC ENERGY FOR MUTUAL DEFENSE PURPOSES**

Mr. GORE. Mr. President, on May 29, 1962, President Kennedy transmitted to the Congress a proposed agreement between the Government of the United States of America and the Government of Belgium for cooperation in the uses of atomic energy for mutual defense purposes. This agreement has been referred to the Joint Committee on Atomic Energy and to its Subcommittee on Agreements for Cooperation, of which I am the chairman.

The purpose of this proposed agreement is to permit the exchange of restricted data and certain nonnuclear materials to enable improved cooperation in developing plans and training Belgian personnel assigned to NATO forces. Similar agreements have been signed with some of the other NATO countries, and the President has made the determination that the performance of this agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States.

The Atomic Energy Act requires that any such proposed agreement for cooperation relating to the military uses

of atomic energy must be submitted to the Congress and the Joint Committee for a 60-day period prior to execution of the agreement. It has been the practice of the Joint Committee to hold a hearing on each proposed agreement and to submit a report to the Members of the Senate and the House in order that they may be fully informed of the provisions and implications of any such proposed agreement.

Accordingly, I have scheduled a public hearing of the Subcommittee on Agreements for Cooperation on Monday, June 25, 1962, at 2 p.m., to consider this proposed agreement with Belgium as well as certain other proposed agreements relating to the peaceful uses of atomic energy which may then be pending before the Joint Committee for its review.

Mr. President, I ask unanimous consent that a copy of the proposed agreement with Belgium, and certain supporting documents, be printed in the RECORD following my remarks.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

*To the Congress of the United States:*

This Government has recently signed with the Government of Belgium an atomic cooperation agreement for mutual defense purposes. This agreement, which has been concluded pursuant to sections 91-c and 144-b of the Atomic Energy Act, is essentially the same as agreements we have concluded since 1959 with a number of other NATO countries. By providing for the exchange of information and nonnuclear materials the agreement with Belgium will enable us to cooperate in developing plans and training personnel so that Belgian NATO forces can effectively contribute with other NATO countries to the collective defense effort. The members of NATO have made clear that it is necessary for their common defense to maintain the most modern NATO forces, and that these forces must be capable of using nuclear weapons if necessary. Since it is well known that measures to build NATO military strength are designed solely for defense purposes, these measures should not be a cause of concern to other countries.

In general, NATO countries are proceeding simultaneously along two lines to provide for their necessary military strength: conventional forces are being strengthened, and an effective nuclear capability is being maintained. The conclusion of this agreement is consistent with these current policies and with the continuing alliance purposes of collective defense.

I am forwarding a copy of the atomic cooperation agreement with Belgium to each House of the Congress, in accordance with the Atomic Energy Act of 1954, as amended. I am also forwarding a letter from the Secretary of State transmitting an authoritative text of the agreement, a copy of the joint communication by the Secretary of Defense and the Chairman of the Atomic Energy Commission recommending my approval of the agreement and a copy of the memorandum recording my affirmative response to their recommendation.

JOHN F. KENNEDY.

THE WHITE HOUSE, May 29, 1962.

The following is the text of the letter to the President from the Secretary of State:

MAY 18, 1962.

THE PRESIDENT,  
The White House.

DEAR MR. PRESIDENT: I have the honor to lay before you with a view to its submission to the Congress, pursuant to the Atomic



Energy Act of 1954, as amended, an authoritative copy of an Agreement Between the Government of the United States of America and the Government of Belgium for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes, which was signed at Brussels on May 17, 1962.

This agreement was signed on behalf of the United States pursuant to the authorization granted in your memorandum of March 23, 1962, to the Secretary of Defense and the Chairman of the Atomic Energy Commission, a copy of which was transmitted to the Department of State.

Faithfully yours,

DEAN RUSK.

The following is the text of the letter to the President from the Chairman of the Atomic Energy Commission and the Deputy Secretary of Defense:

MARCH 22, 1962.

THE PRESIDENT,  
The White House.

DEAR MR. PRESIDENT: There is hereby submitted for your consideration and approval a proposed Agreement between the Government of the United States of America and the Government of Belgium for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes.

The proposed Agreement will permit, under the authority of Sections 91c and 144b of the Atomic Energy Act of 1954, as amended, the transfer of classified information and certain equipment necessary for the purpose of improving the state of training and operational readiness of the armed forces of Belgium. The December 1957 NATO Heads of Government meeting established the concept of a stockpile of arms for the strengthening of NATO's defenses, and this present Agreement is an important part of the implementation of this concept. The carrying out of this Agreement should do much to advance our mutual defense interest, including the vital cause of strengthening the NATO defensive alliance, and will thereby aid materially in the defense of the United States.

Article II of the Agreement provides for the transfer of classified information, including "Restricted Data" and "Formerly Restricted Data," necessary to the development of defense plans; the training of personnel in the employment of and the defense against atomic weapons and other military applications of atomic energy; the evaluation of the capability of potential enemies in the employment of atomic weapons and other military applications of atomic energy; and the development of delivery systems capable of carrying atomic weapons.

Article III of the Agreement provides that the United States will transfer non-nuclear parts of atomic weapons systems involving Restricted Data (other than non-nuclear parts of atomic weapons) for the purpose of improving the state of training and operational readiness of the armed forces of Belgium. However, in view of Section 91c of the Atomic Energy Act, the applicability of which is reflected in Article IV of the Agreement, no transfer can be made if it would contribute significantly to the recipient nation's atomic weapon design, development or fabrication capability. It is not possible to determine at this time the types, quantities and conditions of transfer, whether by sale, lease or loan, of those parts which it will become necessary to transfer for our mutual defense during the period of the Agreement. Accordingly, under the terms and conditions of the Agreement, it will be necessary to determine from time to time the types, quantities and conditions of transfer and such determination shall be submitted for your approval.

The Agreement would remain in force until terminated by agreement of both parties,

CVIII—701

thus assuring continued protection for the information and equipment transferred in accordance with the provision of the Agreement. However, cooperation for the transfer of information and equipment under Articles II and III of the Agreement may be discontinued by either party in the event of the termination of the North Atlantic Treaty.

In accordance with the provisions of Sections 91c and 144b of the Atomic Energy Act of 1954, the Agreement specifically provides in Article I that all cooperation under the Agreement will be undertaken only when the communicating or transferring party determines that such cooperation will promote and will not constitute an unreasonable risk to its defense and security. Article I of the Agreement also provides, in accordance with the Act, that all cooperation under the Agreement will be undertaken only while the United States and Belgium are participating in an international arrangement for their mutual defense and security and making substantial and material contributions thereto. Cooperation under Articles II and III of the Agreement would be undertaken only when these conditions prevail.

Article IV of the Agreement stipulates that the cooperation under the Agreement will be carried out by each of the parties in accordance with its applicable laws. Article IV also makes clear that there will be no transfer under the Agreement of atomic weapons, non-nuclear parts of atomic weapons or special nuclear material.

In addition to the foregoing provisions on the terms, conditions, duration, nature and scope of cooperation, the Agreement provides that the parties will maintain agreed security safeguards and standards. The Agreement also contains particular commitments that the recipient of any equipment or information that is obtained pursuant to the Agreement will not transfer it to unauthorized persons and will not transfer it beyond the jurisdiction of the recipient party, except in limited circumstances specifically provided in the Agreement.

Belgium is now participating with the United States in an international arrangement pursuant to which Belgium is making substantial and material contributions to the mutual defense and security. It is the view of the Department of Defense and the Atomic Energy Commission that this Agreement is entirely in accord with the provisions of the Atomic Energy Act of 1954, as amended. It is the considered opinion of the Department of Defense and the Atomic Energy Commission that the performance of the proposed Agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States.

Accordingly, it is recommended that you (a) approve the program for the transfer of non-nuclear parts of atomic weapon systems involving Restricted Data under the terms and conditions provided in this letter and the proposed Agreement; however, types, quantities and conditions of transfer of such parts are subject to your later approval; (b) determine that the performance of this Agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States; and (c) approve the proposed Agreement and authorize its execution for the Government of the United States in a manner specified by the Secretary of State.

The Secretary of State concurs in the foregoing recommendations.

Sincerely,

ROSSELL L. GILPATRICK,  
Deputy Secretary of Defense.

GLENN T. SEABORG,  
Chairman, Atomic Energy Commission.

MEMORANDUM FOR THE SECRETARY OF DEFENSE  
AND THE CHAIRMAN, ATOMIC ENERGY COMMISSION

MARCH 23, 1962.

In your joint letter to me of March 22, 1962, you recommended that I approve a proposed Agreement between the Government of the United States of America and the Government of Belgium for Cooperation on the Uses of Atomic Energy for Mutual Defense Purposes.

Belgium is participating with the United States in an international arrangement pursuant to which it is making substantial and material contributions to the mutual defense and security. The proposed Agreement will permit cooperation necessary to improve the state of training operational readiness of the armed forces of Belgium, subject to provisions, conditions, guarantees, terms and special determinations, which are most appropriate in this important area of mutual assistance, in accordance with the agreement in principle reached in December 1957.

Having considered your joint recommendations and the cooperation provided for in the Agreement, including security safeguards and other terms and conditions of the agreement, I hereby (1) approve the program for the transfer of non-nuclear parts of atomic weapon systems involving Restricted Data under the terms and conditions provided in your joint letter and the proposed Agreement; however, types, quantities and conditions of transfer of such parts are subject to my further approval; (2) determine that the performance of this Agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States; and (3) approve the proposed Agreement and authorize its execution for the Government of the United States in a manner designated by the Secretary of State.

JOHN F. KENNEDY.

AGREEMENT BETWEEN THE GOVERNMENT OF  
THE UNITED STATES OF AMERICA AND THE  
GOVERNMENT OF BELGIUM FOR COOPERATION  
ON THE USES OF ATOMIC ENERGY FOR  
MUTUAL DEFENSE PURPOSES

The Government of the United States of America and the Government of Belgium,

Considering that they have concluded a Mutual Defense Assistance Agreement, pursuant to which each Government will make available to the other equipment, materials, services, or other military assistance in accordance with such terms and conditions as may be agreed;

Considering that their mutual security and defense require that they be prepared to meet the contingencies of atomic warfare;

Considering that they are participating together in an international arrangement pursuant to which they are making substantial and material contributions to their mutual defense and security;

Recognizing that their common defense and security will be advanced by the exchange of information concerning atomic energy and by the transfer of certain types of equipment;

Believing that such exchange and transfer can be undertaken without risk to the defense and security of either country; and

Taking into consideration the United States Atomic Energy Act of 1954, as amended, and all applicable statutes of Belgium, which were enacted or prepared with these purposes in mind;

Have agreed as follows:

ARTICLE I

General provisions: While the United States and Belgium are participating in an international arrangement for their mutual defense and security and making substantial and material contributions thereto, each

Party will communicate to and exchange with the other Party information and transfer non-nuclear parts of atomic weapons systems involving Restricted Data to the other Party in accordance with the provisions of this Agreement, provided that the communicating or transferring Party determines that such cooperation will promote and will not constitute an unreasonable risk to its defense and security.

#### ARTICLE II

Exchange of information: Each Party will communicate to or exchange with the other Party such classified information as is jointly determined to be necessary to: (a) the development of defense plans; (b) the training of personnel in the employment of and defense against atomic weapons and other military applications of atomic energy; (c) the evaluation of the capabilities of potential enemies in the employment of atomic weapons and other military applications of atomic energy; and (d) the development of delivery systems compatible with the atomic weapons which they carry.

#### ARTICLE III

Transfer of non-nuclear parts of atomic weapons systems: The Government of the United States will transfer to the Government of Belgium, subject to terms and conditions to be agreed, non-nuclear parts of atomic weapons systems involving Restricted Data as such parts are jointly determined to be necessary for the purpose of improving Belgium's state of training and operational readiness.

#### ARTICLE IV

##### Conditions:

A. Cooperation under this Agreement will be carried out by each of the parties in accordance with its applicable laws.

B. Under this Agreement there will be no transfer by either Party of atomic weapons, non-nuclear parts of atomic weapons, or special nuclear materials.

C. The information communicated or exchanged, or non-nuclear parts of atomic weapons systems transferred, by either Party pursuant to this Agreement shall be used by the recipient Party exclusively for the preparation or implementation of defense plans in the mutual interests of the two countries.

D. Nothing in this Agreement shall preclude the communication or exchange of classified information which is transmissible under other arrangements between the Parties.

#### ARTICLE V

##### Guarantees:

A. Classified information and non-nuclear parts of atomic weapons systems communicated or transferred pursuant to this Agreement shall be accorded full security protection under applicable security arrangements between the Parties and applicable national legislation and regulations of the Parties. In no case shall either Party maintain security standards for safeguarding classified information, and non-nuclear parts of atomic weapons systems, made available pursuant to this Agreement less restrictive than those set forth in the applicable security arrangements in effect on the date this Agreement comes into force.

B. Classified information communicated or exchanged pursuant to this Agreement will be made available through channels existing or hereafter agreed for the communication or exchange of such information between the Parties.

C. Classified information, communicated or exchanged, and any non-nuclear parts of atomic weapons systems transferred pursuant to this Agreement shall not be communicated, exchanged or transferred by the recipient Party or persons under its jurisdiction to any unauthorized persons or, except as provided in Article VI of this Agree-

ment, beyond the jurisdiction of that Party. Each Party may stipulate the degree to which any of the information and non-nuclear parts of atomic weapons systems communicated, exchanged or transferred by it or persons under its jurisdiction pursuant to this Agreement may be disseminated or distributed; may specify the categories of persons who may have access to such information or non-nuclear parts of atomic weapons systems; and may impose such other restrictions on the dissemination or distribution of such information or non-nuclear parts of atomic weapons systems as it deems necessary.

#### ARTICLE VI

Dissemination: Nothing in this Agreement shall be interpreted to operate as a bar or restriction to consultation or cooperation in any field of defense by either Party with other nations or international organizations. Neither Party, however, shall so communicate classified information or transfer or permit access to or use of non-nuclear parts of atomic weapons systems made available by the other Party pursuant to this Agreement unless:

A. It is notified by the originating Party that all appropriate provisions and requirements of the originating Party's applicable laws, including authorization by competent bodies of the originating Party, have been complied with which would be necessary to authorize the originating Party directly so to communicate to, transfer to, permit access to or use by such other nation or international organization; and further that the originating Party authorizes the recipient Party so to communicate to, transfer to, permit access to or use by such other nation or international organization; or

B. The originating Party has informed the recipient Party that the originating Party has so communicated to, transferred to, permitted access to or use by such other nation or international organization.

#### ARTICLE VII

Classification policies: Agreed classification policies shall be maintained with respect to all classified information and non-nuclear parts of atomic weapons systems communicated, exchanged, or transferred under this Agreement.

#### ARTICLE VIII

Responsibility for use of information and non-nuclear parts of atomic weapons systems: The application or use of any information (including design drawings and specifications) or non-nuclear parts of atomic weapons systems communicated, exchanged or transferred under this Agreement shall be the responsibility of the Party receiving it, and the other Party does not provide any indemnity or warranty with respect to such application or use.

#### ARTICLE IX

Patents: The recipient Party shall use the classified information communicated, or revealed by equipment transferred hereunder, for the purposes specified herein only. Any inventions or discoveries resulting from possession of such information on the part of the recipient Party or persons under its jurisdiction shall be made available to the other Party for all purposes without charge in accordance with such arrangements as may be agreed and shall be safeguarded in accordance with the provisions of Article V of this Agreement.

#### ARTICLE X

Definitions: For the purposes of this agreement:

A. "Atomic weapon" means any device utilizing atomic energy, exclusive of the means for transporting or propelling the device (where such means is a separable and divisible part of the device), the principal

purpose of which is for use as, or for development of, a weapon, a weapon prototype, or a weapon test device.

B. "Classified information" means information, data, materials, services, or any other matter with the security designation of "Confidential" or higher applied under the legislation or regulations of either the United States or Belgium, including that designated by the Government of the United States as "Restricted Data" or "Formerly Restricted Data" and that designated by the Government of Belgium as "Atomic".

C. "Non-nuclear parts of atomic weapons" means parts of atomic weapons which are specially designed for them and are not in general use in other end products and which are not made of, in whole or in part, special nuclear material; and "non-nuclear parts of atomic weapons systems involving Restricted Data" means parts of atomic weapons systems, other than non-nuclear parts of atomic weapons, which contain or reveal atomic information and which are not made of, in whole or in part, special nuclear material.

D. As used in this agreement, the term "atomic information" means:

1. So far as concerns information provided by the Government of the United States, information which is designated "Restricted Data" and "Formerly Restricted Data."

2. So far as concerns information provided by the Government of Belgium, information which is designated "Atomic."

#### ARTICLE XI

Duration: This Agreement shall enter into force on the date on which each Government shall have received from the other Government written notification that it has complied with all legal requirements for the entry into force of this Agreement, and shall remain in force until terminated by agreement of both Parties except that either Party may terminate its cooperation under Articles II or III upon the expiration of the North Atlantic Treaty.

In witness whereof, the undersigned, duly authorized, have signed this Agreement.

Done at Brussels, in duplicate, in the English and French languages, both texts being equally authentic, this 17th day of May, 1962.

For the Government of the United States of America:

DOUGLAS MACARTHUR II.

For the Government of Belgium:

P. H. SPAAK.

#### HIGH INTEREST RATES

Mr. LONG of Louisiana. Mr. President, in connection with the current furor over the alleged antibusiness bias of the Kennedy administration, inquiry into the present situation with regard to interest rates is pertinent.

There is nothing quite so complicated as the money and credit system of this, the greatest capitalistic nation on earth. It was planned to be that way. Otherwise, the workingman who pays throughout his lifetime for services in which he is not the least bit interested would demand a better break. With his vote, he would get it.

If the public ever comes to understand the monetary and fiscal system of this country, there will be an effort to make it more complicated in order to perpetrate the built-in injustices in the system.

In the past, when I have criticized high interest rates, I have found persons who would attempt to justify them.

But if an individual attempted to loan out at interest money which he did not



possess, he would wind up in jail. Yet this Nation has made it legal for the Federal Reserve System to do just that.

Furthermore, under the Constitution of the United States, the power of issuing currency is vested in the Congress. But this power has been turned over through legislation to the Federal Reserve Board. This Board actually has the power to make money. Mr. President, look at your \$5, \$10, \$20 bills. As you know, they are not backed by gold. They are not backed by silver. They are supported only by the imagination. Naturally, the Government promises to pay so many dollars. But what is a dollar? It does not represent any given amount of anything.

Furthermore, when we get into the realm of loaning dollars which do not exist, the whole problem becomes so complicated and nebulous that fewer than one man in a thousand can be expected to understand it.

This, then, is what the national banks are permitted to do. They loan money which they do not possess merely by writing down a column of figures on a ledger sheet. Many of them operate with practically no cash whatever when they open their doors. They simply take the money from the receiving windows and hand it back out the paying windows.

And the banker is permitted to loan a dollar out five times over. Here is how it works: For every dollar deposited, the bank can loan out 80 cents. When Smith deposits a dollar, 80 cents are loaned to Jones. Jones deposits the 80 cents; and 64 cents are loaned to Brown. Brown buys from Green, and Green deposits the 64 cents; whereupon the bank loans out 51 cents. And so on.

On demand deposits the banks pay no interest whatever; yet every dollar they loan is out at interest averaging about 6 percent. These are concerns licensed to do business with the credit of the Government, which represents all the people of the United States. Under the Eisenhower administration, the banks were permitted to double the charge for the services they were rendering in some cases, and greatly increase that charge in all other cases. The charge in this case is called interest.

This was the field in which it was easiest for the administration to reward wealthy friends for campaign contributions. It was so complicated that a poor man could not possibly figure it all out. Any time some one did complain about it, nothing more was required than for some Wall Street banker to state that complaining endangered the economy.

The entire matter could thus be covered up through the use of slogans like "honest money," "hard money," and so on.

Naturally, it is necessary that there be credit and interest on borrowed money. Experience has shown, however, that the country cannot remain prosperous with high interest rates. It seems that Republicans are unable to keep interest rates down when they are in power. But there is no reason why Democrats should not be able to do a better job.

During the 20 years that President Roosevelt and President Truman occupied the White House, the average rate of interest on new Federal issues was 1.7 percent. This contrasts with a figure of almost 5 percent on new issues for the Republican year 1960.

I regret to state that since President Kennedy assumed office, overall interest rates have continued to rise. Three-month Treasury bills were up from a yield of 2.3 percent in January 1961 to 2.8 percent in the week ending with March 17 of this year.

Taxable bonds rose from 3.9 percent to 4.03 percent.

High-grade municipal bonds fell from 3.46 percent to 3.18 percent.

Corporate AAA bonds remained about the same, rising from 4.32 percent in January 1961 to 4.39 percent.

Corporate BAA bonds moved from 5.08 percent to 5.04 percent.

Prime commercial paper rose from 2.98 percent to 3.25 percent.

Mr. President, figures of this kind are pertinent to the question of whether the Kennedy administration is antibusiness. I am one of those who feel that, whatever fault there may be lies in the other direction. I would like to see this Democratic administration continue in the tradition of its predecessors with regard to interest rates and fiscal policy.

#### REVIEW OF U.S. POLICY ON SOUTH-EAST ASIA URGED BY SENATE MAJORITY LEADER

Mr. YARBOROUGH. Mr. President, in connection with the U.S. policy in southeast Asia, the able and distinguished majority leader of the U.S. Senate made a thought-provoking and searching speech to the Nation a few days ago. The speech by the distinguished majority leader of the Senate is by a Senator who brings to the subject knowledge gained by many years of service in the Senate Foreign Relations Committee and personal visits to southeast Asia.

His speech has stimulated an editorial in the San Antonio Light, one of the important newspapers in one of the largest cities in Texas.

I ask unanimous consent to have printed in the RECORD the editorial from the Light, of San Antonio, Tex., for Thursday, June 14, 1962, captioned "Blowing the Whistle," which is most laudatory of the distinguished majority leader.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### BLOWING THE WHISTLE

When the Democratic majority leader of the Senate takes a positive stand on a phase of the foreign policy of the country, attention should be paid to it.

The State Department is accustomed to going its own way but it cannot ignore Senator MIKE MANSFIELD because he is a real power in the Senate and because he is a learned man, a former university professor.

MANSFIELD wants our policy in southeast Asia reviewed. We have poured \$3 billion into that area with small results.

Our allies do not choose to fight even for their own security. Aid seems to disappear

among government officials, very little coming down to the people.

The amount that some recipients of our aid spend for Parisian dresses and furs would shock this country.

Senator MIKE MANSFIELD says:

"After years of enormous expenditures of aid in South Vietnam, that country is more, rather than less, dependent on aid from the United States."

This does require explanation.

#### PROPOSED AMENDMENTS TO AGREEMENTS FOR COOPERATION IN THE FIELD OF PEACEFUL USES OF ATOMIC ENERGY—NOTICE OF HEARING

Mr. GORE. Mr. President, as chairman of the Subcommittee on Agreements for Cooperation of the Joint Committee on Atomic Energy, I would like to advise all Members of the Senate of four proposed amendments to agreements for cooperation with other nations in the field of peaceful uses of atomic energy, recently submitted to the Joint Committee by the executive branch.

These are amendments to agreements for cooperation with Brazil, the Republic of China, Portugal, and Thailand. In each case the agreement is extended for 2 years and contains a provision which would facilitate assumption of safeguards by the International Atomic Energy Agency if mutually agreed upon by the parties to the present agreements.

Mr. President, I request unanimous consent to have printed in the RECORD at the conclusion of my remarks the text of the proposed amendment with Brazil, together with a letter from the Commission to the President recommending approval, a letter from the President containing the appropriate determinations and authorizing execution of the amendment, and a letter from the Chairman of the Atomic Energy Commission to the chairman of the Joint Committee on Atomic Energy. The amendments and the correspondence concerning the amendments with China, Portugal, and Thailand are similar in all respects.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GORE. Mr. President, the Joint Committee has also received amendments to two agreements for cooperation with Euratom, relating to the peaceful uses of atomic energy, and also an amendment to the agreement for cooperation with Belgium relating to the military uses of atomic energy.

The Joint Committee has been informed that amendments to the agreements for cooperation with the following nations and governmental entities are now in final stages of negotiation, and may soon be submitted to the Joint Committee for review: Argentina, city of West Berlin, France, Israel, Greece, South Africa, Sweden, and West Germany.

Mr. President, I have scheduled a public hearing by the subcommittee on Monday, June 25, 1962, at 2 p.m. to consider the various proposed amendments which may then be pending before the Joint Committee on Atomic Energy.

## EXHIBIT 1

U.S. ATOMIC ENERGY COMMISSION,  
Washington, D.C., June 6, 1962.

HON. CHET HOLIFIELD,  
Chairman, Joint Committee on Atomic  
Energy, Congress of the United States.

DEAR MR. HOLIFIELD: Pursuant to section 123c of the Atomic Energy Act of 1954, as amended, there are submitted with this letter:

(a) An executed amendment to the Agreement for Cooperation Concerning Civil Uses of Atomic Energy Between the Government of the United States of America and the Government of the United States of Brazil;

(b) A letter from the Commission to the President recommending approval of the amendment; and

(c) A letter from the President to the Commission approving the amendment, containing his determination that its performance will promote and will not constitute an unreasonable risk to the common defense and security and authorizing its execution.

The amendment, which has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, as amended, would extend for 2 years the Agreement for Cooperation signed by the Government of the United States of America and the Government of the United States of Brazil on August 3, 1955, as amended by amendments signed on July 9, 1958, and June 11, 1960. The amendment also includes, in article I, provisions contained in other similar agreements which would permit the transfer to Brazil of materials, including limited quantities of special nuclear material, for use in defined research projects when such materials are not available commercially. In order to facilitate assumption of safeguards administration by the International Atomic Energy Agency (IAEA), the amendment further modifies the Agreement for Cooperation, as amended, by providing, in article II, that the parties may at any time enter into arrangements for application of IAEA safeguards to materials and equipment transferred to Brazil under the agreement, without modifying the agreement, and that such arrangements may include provisions for suspension of safeguards rights accorded the Commission under the agreement during the time and to the extent that IAEA safeguards apply to the materials and facilities.

The amendment will enter into force when the two Governments have exchanged notifications that their respective statutory and constitutional requirements have been fulfilled.

Sincerely yours,

GLENN E. SEABORG,  
Chairman.

U.S. ATOMIC ENERGY COMMISSION,  
Washington, D.C., May 16, 1962.

THE PRESIDENT,  
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the enclosed proposed "Amendment to Agreement for Cooperation Between the Government of the United States of America and the Government of the United States of Brazil Concerning Civil Uses of Atomic Energy," determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security, and authorize its execution. The Department of State supports the Commission's recommendation.

The amendment, which has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, as amended, will extend for 2 years the Agreement for Cooperation signed by the Government of the United States of America and the Government of the United States of Brazil on August 3, 1955, as amended by amendments

signed on July 9, 1958, and June 11, 1960. The amendment also includes, in article I, provisions contained in other similar agreements which would permit the transfer to Brazil of materials, including limited quantities of special nuclear material, for use in defined research projects when such materials are not available commercially.

In order to facilitate assumption of safeguards administration by the International Atomic Energy Agency (IAEA), the amendment further modifies the Agreement for Cooperation, as amended, by providing, in article II, that the parties may at any time enter into arrangements for application of IAEA safeguards to materials and equipment transferred to Brazil under the agreement, without modifying the agreement, and that such arrangements may include provisions for suspension of safeguards rights accorded the Commission under the agreement during the time and to the extent that IAEA safeguards apply to the materials and facilities.

Although the Government of the United States of Brazil was encouraged to let its agreement expire this coming summer with the view that its future requirements would be satisfied through the IAEA, and the materials and equipment transferred would be placed under safeguards administered by the IAEA, the Government of the United States of Brazil advised that it would prefer to have its Agreement for Cooperation extended at this time. Discussions will be continued with the Brazilian Government, however, with the objective of further encouraging that Government to place its reactor and associated fuel under safeguards arrangements administered by the IAEA, and to draw increasingly upon the resources of the IAEA to satisfy its future requirements.

Following your determination, approval and authorization, the amendment will be formally executed by the appropriate authorities of the Government of the United States of America and the Government of the United States of Brazil. In compliance with section 123c of the Atomic Energy Act, as amended, the amendment will then be placed before the Joint Committee on Atomic Energy.

Respectfully yours,

GLENN T. SEABORG,  
Chairman.

THE WHITE HOUSE,  
Washington, D.C., May 24, 1962.

HON. GLENN T. SEABORG,  
Atomic Energy Commission,  
Washington, D.C.

DEAR MR. SEABORG: In accordance with section 123 of the Atomic Energy Act of 1954, as amended, the Atomic Energy Commission has submitted to me a proposed "Amendment to Agreement for Cooperation Between the Government of the United States of America and the Government of the United States of Brazil Concerning Civil Uses of Atomic Energy," as amended, and recommended that I approve the proposed amendment, determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security, and authorize its execution.

The amendment, which has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, as amended, would extend for 2 years the term of the present Agreement for Cooperation signed by the Government of the United States of America and the Government of the United States of Brazil on August 3, 1955, as amended by amendments signed on July 9, 1958, and June 11, 1960. The amendment also includes language to facilitate assumption of safeguards administration by the International Atomic Energy Agency during the term of the agreement without further modifying the agreement, and provisions

which would permit the transfer to Brazil of materials, including limited quantities of special nuclear material, for use in defined research projects when such materials are not available commercially.

Pursuant to the provisions of section 123 of the Atomic Energy Act of 1954, as amended, and upon the recommendation of the Atomic Energy Commission, I hereby:

(a) Determine that the performance of the proposed amendment will promote and will not constitute an unreasonable risk to the common defense and security of the United States.

(b) Approve the proposed amendment between the Government of the United States of America and the Government of the United States of Brazil enclosed with your letter submitting the proposed amendment.

(c) Authorize the execution of the proposed amendment for the Government of the United States of America by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

Sincerely,

JOHN F. KENNEDY.

AMENDMENT TO AGREEMENT FOR COOPERATION  
BETWEEN THE GOVERNMENT OF THE UNITED  
STATES OF AMERICA AND THE GOVERNMENT  
OF THE UNITED STATES OF BRAZIL CONCERNING  
CIVIL USES OF ATOMIC ENERGY

The Government of the United States of America and the Government of the United States of Brazil,

Desiring to amend the Agreement for Cooperation Between the Government of the United States of America and the Government of the United States of Brazil Concerning Civil Uses of Atomic Energy signed at Rio de Janeiro on August 3, 1955 (hereinafter referred to as the "Agreement for Cooperation"), as amended by the Agreements signed at Washington on July 9, 1958 and June 11, 1960,

Agree as follows:

ARTICLE I

The following new Article is added directly after Article III of the Agreement for Cooperation, as amended:

"ARTICLE III(A)

"Materials of interest in connection with defined research projects related to the peaceful uses of atomic energy undertaken by the Government of the United States of Brazil, or persons under its jurisdiction, including source materials, special nuclear materials, by-product material, other radioisotopes, and stable isotopes, will be sold or otherwise transferred to the Government of the United States of Brazil by the Commission for research purposes in such quantities and under such terms and conditions as may be agreed when such materials are not available commercially. In no case, however, shall the quantity of special nuclear materials under the jurisdiction of the Government of the United States of Brazil, by reason of transfer under this Article, be, at any one time, in excess of 100 grams of contained U-235, 10 grams of U-233, 250 grams of plutonium in the form of fabricated foils and sources, and 10 grams of plutonium in other forms."

ARTICLE II

The following sentences are added at the end of Article VII(A) of the Agreement for Cooperation, as amended: " \* \* \* It is understood that, without modifying this Agreement, the Parties may at any time enter into arrangements to provide for application of International Atomic Energy Agency safeguards to materials and facilities transferred to the Government of the United States of Brazil under this Agreement. It is contemplated that such arrangements may include provisions for suspension of the safeguards rights accorded the Commission by Article VI, paragraph C, of this Agreement



during the time and to the extent that the Agency's safeguards apply to such materials and facilities."

#### ARTICLE III

Article VIII of the Agreement for Cooperation, as amended, is further amended by deleting the date "August 2, 1962" and substituting in lieu thereof the date "August 2, 1964."

#### ARTICLE IV

This Amendment shall enter into force on the date on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of such Amendment and shall remain in force for the period of the Agreement for Cooperation, as hereby amended.

In witness whereof, the undersigned, duly authorized, have signed this Amendment.

Done at Washington, in duplicate, this twenty-eighth day of May 1962.

For the Government of the United States of America:

RICHARD N. GOODWIN.  
GLENN T. SEABORG.

For the Government of the United States of Brazil:

MIGUEL A. OZ DE ALMEIDA.

Certified to be a true copy:

ALLAN T. DALTON,

Division of International Affairs, U.S.  
Atomic Energy Commission.

### COMMERCIAL COMMUNICATIONS SATELLITE SYSTEM

The Senate resumed the consideration of the bill (H.R. 11040) to provide for the establishment, ownership, operation, and regulation of a commercial communications satellite system, and for other purposes.

The PRESIDING OFFICER (Mr. MUSKIE in the chair). The question is on agreeing to the amendment lettered "T," submitted by the Senator from Louisiana [Mr. Long], on behalf of himself and certain other Senators.

Mr. SMATHERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SMATHERS. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KEFAUVER. Mr. President, many of us feel very deeply and sincerely about the subject we are discussing. I am sure that none of us who are opposed to the bill have questioned the motives or the integrity or the good will of any Member of the Senate or of the Congress; and certainly I do not.

In asking for live quorums and in objecting to committees meeting while the Senate is in session, it has not been done for the purpose of inconveniencing any Senator or any committee; but it is very difficult, and not very useful, to talk about an important subject of this kind when almost no Senators are present to listen.

This is a very important matter, one which can and will greatly affect the foreign relations of the United States. The proposal gives us an opportunity to get into closer communication with peo-

ple all over the world. It will bring into operation a remarkable new kind of communication, in which the peoples of the world can be closer to one another, in which there can be an understanding on the part of the people of one nation of the problems of the people of another nation. All this is important in the interest of peace. It is important in the interest of freedom.

So what we do in connection with this bill will have a very great impact upon that which all of us who are peace-loving want—understanding, communication, knowledge of one another, in the interest of that which we all pray for and dream of—peace and good will.

This issue is of great importance domestically, as I shall point out in this and other speeches I shall make on the subject, and as will be pointed out in speeches which other Members of the Senate will make.

The bill before the Senate does not follow the guidelines or purposes set forth by the President of the United States when he asked for consideration of the problem. The bill would create a private monopoly and would carve out from the antitrust laws an exception to the antitrust laws—the first time I know of in the history of our Nation that a monopoly has been carved out of the antitrust laws, at a time when we are trying to provide better enforcement and more protection by virtue of our antitrust laws.

The public interest would not be protected by the pending bill. The suppliers of the hardware needed are not protected. It violates the historic principles laid down in connection with communications since the beginning of this Nation, namely, that one form of communication shall not be entitled to own, control, or operate a competing form of communication.

That principle has been established as a result of debates over a period of many years in the Congress of the United States. It is the American principle that has encouraged the development of competing forms of transportation. We do not allow the railroads to own the airlines, in view of what the railroads, with all their good intentions, would do about airlines. Of course, they would not develop them. We do not allow the railroads or the airlines to own shipping on the rivers and canals of the Nation. And so on down the line.

I do not want to hurt the feelings of anyone, but this proposal is the most extraordinary giveaway of a great asset of the Nation that I have ever known in the history of our country. The Government of the United States—the taxpayers, if you please—has spent many hundreds of millions of dollars in research on space satellite communications in which at least 90 percent of the research and development has been done by the Government, to say nothing of the billions of dollars we have spent in research and development in building missiles, rockets, and carriers which are necessary to place a space communications satellite in orbit. It is proposed to give the benefits of this research away completely to a private corporation for

profit, which will be dominated by the American Telephone & Telegraph Co., as I shall develop in my speech.

The taxpayers get nothing in return. The people who have made this research and development possible are the taxpayers of the entire Nation. They will get nothing in return for the investment they have made.

The pending proposal does not give us the best chance of having the best satellite communications system in the shortest length of time.

It is my opinion—and it will be developed in various speeches—that in pursuing the course we are pursuing, or are planning to pursue, if this bill is passed, we shall be far behind other nations in the development of a communications satellite system. We shall not have the kind of organization that can negotiate. We shall have an obsolete one that will not give us, as a Nation, leadership in this field, in which we have spent so much time, money, and energy.

The whole purport of the bill involves a gift to the corporation, without the corporation's giving anything back to the Government. The President is required to advise, to give this or to give that; but there is no reciprocity, no giving back.

NASA is required to do certain things for the corporation; but the corporation is required to do nothing for NASA.

The State Department is required, if it is called upon by the corporation, to negotiate and to arrange international agreements; but there is no reciprocity on the part of the corporation to do anything for the State Department.

To my knowledge, this is the first time that this great American Republic has delegated its sovereignty to a private corporation for the purpose of making treaties and executive agreements which of necessity must arise as a result of any successful international communications satellite system.

Furthermore, the bill is an affront, and will plague us the rest of our days in the United Nations and other forums of public opinion which are so important in the interest of peace and understanding.

I know it is not easy to oppose the bill. I know the lobbying which has been and is being carried on for its passage. I know the high standing of the representatives of the communications carriers, particularly of A.T. & T., in the various States and sections throughout the country. These people are interested. They are good people. I do not blame them for being interested. But they are effective in getting over their point of view.

Furthermore, in the Government of the United States they have been effective in presenting the viewpoint of private monopoly communications carriers and of derogating even the Syncom system, which of course will be the ultimate successful satellite communications system. They are even derogatory of the Advent system, on which the Signal Corps of the Army was working. That program has had to be reappraised. A.T. & T. played a part in the success of getting a substantial part of the Advent program taken from the Army and given to the Air Force. If any Senator wishes

to ask questions on that subject, I am in a position to substantiate the statement, although we might need an executive session in order to see some secret documents with which I am familiar.

On July 24, 1961, President Kennedy issued a statement on communication satellite policy. Recognizing that science and technology had progressed to such a degree that communications through the use of space satellites had become possible, he expressed the belief that the United States should exercise leadership in developing a system for the benefit of the entire world.

For the information of the Senate, I refer to the place where this documentation can be found. It is, of course, in the CONGRESSIONAL RECORD. It is also to be found in the very excellent hearings conducted by the Subcommittee on Monopoly of the Select Committee on Small Business, under the chairmanship of the Senator from Louisiana [Mr. Long], beginning on page 16 of the hearings.

Mr. President, I do not know where all the copies of the printed hearings on the bill are. Hearings have been held before the Committee on Aeronautical and Space Sciences, before the Committee on Commerce, before the Subcommittee on Monopoly of the Select Committee on Small Business under the chairmanship of the Senator from Louisiana [Mr. Long], and before the Antitrust and Monopoly Subcommittee; but copies of all those hearings do not seem to be on the desks of Senators. I had hoped that they might be made available for reference by Senators.

On page 16 of the hearings before the Subcommittee on Monopoly the guidelines sent to the Congress by the President begin.

I hope that Members of the Senate, the interested public, the excellent reporters and ladies and gentlemen of the press, radio, and television will read the speech made by the Senator from Louisiana [Mr. Long]. It is a most thorough discussion of the entire problem, based upon wide knowledge, research, and study, logically and courageously presented. If any Senator wishes to learn of the public interest in this issue, to learn what ought to be done in the interest of the Nation, I recommend that he read the speech by the Senator from Louisiana [Mr. Long], which began last Friday and continued on Monday, yesterday, and part of today.

Incidentally, I do not know whether the control of the lines has something to do with the problem, or exactly what is the situation, but one trouble we have experienced is that it has been almost impossible to obtain any diagnosis and information as to the ill effects of the proposed giveaway—the derogation of our position as a nation—into the news media of the country, with some very fine exceptions, I am happy to say.

This question is complicated. It is involved. It is important. It needs to be thoroughly restudied and understood by the people of our Nation. I have not the slightest doubt that, if the people of the Nation can obtain the full facts about what the proposal means, almost with

unanimity they will rise in protest against the monstrous bill before the Senate at the present time.

Hearings were held before the Subcommittee on Antitrust and Monopoly. Many important facts were brought out, particularly in the antitrust and monopoly field, with respect to how little manufacturers would have difficulty getting business, with respect to how an exception to the antitrust laws would be carved out, and with respect to the violation of many important principles of government which have been established over the years; yet in many newspapers not one word appeared about what many of us thought to be very important hearings.

Somehow or other, when Mr. Dingman or someone else from A.T. & T. testified, usually there was a great deal of coverage, and a great deal of news in various media about what he had to say.

Mr. President, we need time. This will be a difficult job. I am thoroughly convinced, however, that by debating this question fully we shall be helping the public interest and doing something for the good of the people.

The President, in his message to the Congress, pointed out that additional resources would have to be devoted to the task and that a coordinated national policy should guide the use of these resources in the public interest.

All the nations of the world were invited to participate in the development and establishment of an operational satellite communications system in the interest of world peace and closer brotherhood among the peoples throughout the world.

This was President Kennedy's message. It has met with a favorable response among the people of many nations of the world.

Having stated these principles, the President said that private ownership and operation of the U.S. portion of the system was favored, provided certain policy requirements could be met. Those requirements were as follows:

First. New and expanded international communications services be made available at the earliest practicable date;

Second. Make the system global in coverage so as to provide efficient communication service throughout the whole world as soon as technically feasible, including service where individual portions of the coverage are not profitable;

Third. Provide opportunities for foreign participation through ownership or otherwise, in the communications satellite system;

Fourth. Nondiscriminatory use of and equitable access to the system by present and future authorized communications carriers;

Fifth. Effective competition, such as competitive bidding, in the acquisition of equipment used in the system;

Sixth. Structure of ownership or control which will assure maximum possible competition;

Seventh. Full compliance with antitrust legislation and with the regulatory controls of the Government;

Eighth. Development of an economical system, the benefits of which will

be reflected in oversea communication rates.

The bill which has been reported out by the Commerce Committee, H.R. 11040, provides for private ownership of the U.S. portion of the global satellite communications system, but fails in many ways to meet the policy requirements established by the President for such private ownership. The bill provides for the creation of a private corporation which would not be an agency of the U.S. Government to own and operate our portion of the satellite communications system. This corporation would be a governmentally created private monopoly. In the field of communications via satellites, both domestic and international, this corporation would be without competitors, for economic and technical factors indicate that only one or a limited number of satellite systems can be established within the foreseeable future.

#### NO TRULY GLOBAL SYSTEM

An analysis of the bill before us would show that it cannot insure that the new and expanded communications services for domestic and international use will be made available at the earliest possible date. The plan of private ownership as set out in this bill cannot insure that an operational satellite system providing truly global coverage will be put into operation as soon as technically feasible. Without this assurance we cannot depend on having efficient communications service throughout the world, especially in areas where coverage will not be profitable.

The provisions of the bill which are intended to insure nondiscriminatory use of, and equitable access to, the satellite communications system by present and future authorized carriers are inadequate. Also weak and inadequate are the provisions dealing with the problem of maintaining effective competition in the acquisition of equipment to be used by the satellite corporation.

#### NONEXISTENT COMPETITION

One of the most important policy requirements of the President was that the structure of ownership or control of any private organization formed to operate our satellite communications system should be one that would insure maximum possible competition. The importance of such a requirement is obvious, particularly when we look at the existing high degree of concentration and the absence of any significant element of competition in the communications industry today. The revolutionary development of satellite communications affords us the opportunity to bring new competitive factors into play in the communications industry. The advent of space satellite communications has given us a chance to strengthen the market forces which are the basis of our competitive system of free enterprise.

We have at this time the opportunity to prevent further growth of private monopoly power which is so inimical to our capitalistic system. But H.R. 11040, the bill we are now considering will not create a structure of ownership or control that will assure the maximum pos-



sible competition. In fact, instead of bringing about the maximum amount of competition, this bill would go to the other extreme and create a private monopoly, and turn over the ownership of that private monopoly in large measure to companies that should be expected to compete with each other. In addition, some of the owners, the communications common carriers, are in the communications business already and have many millions of dollars, hundreds of millions, in fact, invested in facilities, such as cables under the ocean or radio transmitters and receivers that send transoceanic messages, which would be made obsolete through the early development and full utilization of a satellite communications system.

#### ANOTHER EXEMPTION FROM ANTITRUST LAWS

Full compliance with the antitrust laws was a further requirement stated by the President.

The President has always been in favor of the antitrust laws. He wanted the antitrust laws to be applicable to the proposed satellite and space communication system. The bill would create an exception to the antitrust laws.

As I pointed out a little while ago, the bill would definitely allow communication carriers to do things which they otherwise could not do because of the antitrust laws. If they did them without the authorization of such a bill, they would be violating the Sherman Act. They would be violating other antitrust laws. There is no doubt in my mind that they would be convicted. Our laws simply do not allow a consortium such as the one the bill proposes. The companies would work together not only for the purpose of doing a specific act, but they would be in the position of being forced together. They would be in a position to talk things over, and thus violate the antitrust laws and even other laws.

It is unthinkable to me that the Congress and our Government generally, which takes such pride in the antitrust laws, and which we know are the guardians of our free competitive enterprises system, would by its own action make possible the doing of something which in and of itself would be a violation of the antitrust laws. It would carve itself out an exception. How can we expect a great deal of respect for the antitrust laws, and compliance with them, if we take the lead in writing exceptions such as the one proposed?

Only if Congress creates this exemption will it be possible for the competing firms to join together in this proposed joint venture to own the private satellite corporation. It would require a peculiar kind of logic to be able to argue that something which requires exemption from the antitrust laws for its very existence can nonetheless represent full compliance with the same antitrust laws. It is inconsistent with the principles of our antitrust laws to allow competitors and suppliers to own the company with which they must compete and which they must supply.

I am sorry that none of the spokesmen who support the bill are here. I

would think that the chairman of the subcommittee and others who are interested in the bill would wish to hear the arguments against it and be present to support the bill, but apparently they feel so sure of their position that they do not care to come to the Chamber. Perhaps they may be present later.

It has been argued by spokesmen who support this bill that it is necessary to allow the communications carriers to participate in ownership of the satellite corporation. Our common objective, agreed on by everyone, is the earliest possible establishment of a workable satellite communications system. The common carriers have technical knowledge which will be valuable in reaching this objective, but from these two separate facts it does not follow that the only way to enlist the technical skills and know-how for use in development of an operational system is by allowing the owners of those skills to own the private corporation. Any argument that a failure to allow such participation in ownership by the carriers will retard the development of the system is a serious accusation against the carriers, the manufacturing and supplying corporations, and the individuals who possess the technical knowledge. I would not make such an argument nor would I support such an accusation. By the same token, I cannot believe that those who favor this bill actually have so little faith in our Nation that they can take their own argument seriously. The necessary skills and technology currently in possession of the communications industry could readily be made available to any agency organized, created, or designated by the Congress to be responsible for the establishment of a satellite communications system.

Mr. President, it is really not the companies who are making the argument that their skills will not be available unless they have a private monopoly. They do not do this themselves. They are doing themselves very proud, I am glad to say, and they have a better record than that. We did a good job in developing atomic energy by our Government. It was a remarkable achievement. The way we did it was that contracts for different specific operations were given to private corporations, such as Union Carbide, Eastman Kodak, and many others. Their technicians did a magnificent job under contract with the Atomic Energy Commission. The only thing that the Manhattan project did, which was the Atomic Energy Commission, was in the main, at least, to coordinate the efforts of the various contractors.

A great many corporations, including the Hughes Aircraft, RCA, Bendix, Philco, and many others have been doing a fine job under contract with the Government in connection with the communications satellite. There are small companies also, like Sjeldahl. A.T. & T. bid on the so-called Relay project to do the job as a contractor. I am sure, had it been the successful bidder it would have put its best scientists and technicians on the work. It would have done a good job. The Government decided

to give that particular contract to RCA. RCA has been doing a very good job on it.

It is not fair to the companies—and the people of the United States know better—to fall for the argument that because a company cannot have a monopoly in doing something and reap profits out of it, it will not put its best skilled men to work on it, and put forth its best energy and skill in doing the job for the Government of the United States.

There is nothing to prevent the appropriately selected organization from contracting with the carriers, the equipment manufacturers, or the individuals who are needed to make the program a success.

The U.S. communication satellite program got off to a bad start. When the possibility of a space communication satellite occurred, the Government, in January 1961, decided that the best way to organize plans for the control and ownership and development of the satellite communications system was to have the communication carriers themselves decide on the plan and the program. This is exactly like having the foxes take care of the henhouse, as the Senator from Louisiana pointed out the other day.

Mr. LONG of Louisiana. Madam President, will the Senator yield?

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). Does the Senator yield to the Senator from Louisiana?

Mr. KEFAUVER. I am happy to yield to the distinguished Senator from Louisiana. I wish he could have been present earlier to hear me commend his outstanding speech.

Mr. LONG of Louisiana. I thank the Senator. I will read the speech of the Senator in the RECORD. I know that the Senator from Tennessee, who is chairman of the Antimonopoly Subcommittee of the Committee on the Judiciary, is very much concerned about this subject as a monopoly problem. It is somewhat amusing, when the Federal Government undertook to determine what should be done with this fantastic new development, which will have a million-dollar impact annually upon the economy of the United States, that it should ask the so-called international communications carriers to present a plan as to how the program should be carried out. It would be in violation of the antitrust laws for the various interests to even get together in a room to talk about anything of mutual interest among them unless they first asked the consent of the Justice Department. So the consent of the Justice Department was obtained. Otherwise it would have been in violation of the law for them even to get together in a room. They did get together. They got together to see what should be done. When they were all through, to whom did they say it should be given? They said, "Give it to us."

As the Senator from Tennessee has said, it is like putting the foxes in charge of the henhouse. Their recommendation was, "Give it to us; to nobody else."

Mr. KEFAUVER. That is where we got off to a bad start. It is like saying

to the railroads, when the airplanes first came into being: "What should we do about airplane development? We will appoint an ad hoc committee, and we will let you, the railroads, decide who is going to own and operate the airplanes."

In other words, we would let the railroads decide what limits should be established in connection with the airplane industry.

Mr. LONG of Louisiana. The same thing could have been done with reference to bus transportation. We could have let the railroads appoint an ad hoc committee to decide who should own the buses. They would have gotten together and then come forth with the answer: "We will own the buses. That is our recommendation. We will own the buses, and no one else."

The same thing could have been true with respect to the trucking lines, as to who should own the trucking lines. The railroads could have said: "Give them to us, and nobody else. We will own the trucking lines."

They would have recommended what has been the recommendation in this case. They would have recommended that they join in a consortium.

Mr. KEFAUVER. In the same way the development of our intercoastal canal could have been decided. An ad hoc committee could have been appointed, consisting of the railroads and airlines and buses, to decide how the canal should be operated.

Mr. LONG of Louisiana. The same system could have been followed in connection with the building of the St. Lawrence Seaway. The ad hoc committee no doubt would have said: "Do not build it in international waters, because Canada will have some voice in it. Let us build it up the Hudson River and give us ownership of the locks and everything else. Give it to us."

The Senator from Tennessee certainly can recognize a conflict of interest here, can he not?

Mr. KEFAUVER. It started out with a conflict of interest. The parties started by doing what otherwise would have been in direct violation of the law. They could not even have gotten together in the first place if they had not obtained an exemption or waiver from the Department of Justice.

It is the most outrageous, ridiculous approach to a great problem that I have ever heard of. I know of no parallel in American history in which people were picked by the Government to protect their own property, people who want to have this great asset themselves and decide who shall own it and operate it.

The Federal Communications Commission could have answered the question without appointing a committee to do so. Their candid answer would have been, "Give it to us." That is what the bill would do. Anyway, that is how the program got off to a bad start. Undoubtedly, with the ad hoc report by the people who wanted to benefit from the program, saying, "Give it to us," they talked with officials in NASA and other agencies. In the other agencies there were persons who had been with or were on loan from the very beneficiaries, the

companies who were joining in urging, "Give it to us."

Mr. LONG of Louisiana. Does not the Senator know that after the proposed plan was made, the representatives of the Bell Telephone System, which is, of course, American Telephone & Telegraph Co., then proceeded to look up the people who might have some influence, and tried to persuade them to accept the plan proposed by the ad hoc committee, and that the Federal Communications Commission actually did its best to try to have that plan adopted?

Mr. KEFAUVER. Yes; that is so. They did not get away with their plan. The ad hoc committee wanted the whole thing. They did not want the public to have a share of stock. They persuaded the Federal Communications Commission—and it was not hard to persuade the Commission, because the carriers have always had great influence with the Commission—to take that position, and that was the position of the FCC.

They said, in effect, "Give it all to us, even though we do not think it is really revolutionary."

They tried to belittle the effectiveness of and the great good which could come from the proposal. That is how the administration got off on the wrong foot. That is the reason why the bill ought to be sent back to committee and put over until the next Congress. The people will then be able to know what is happening.

Mr. LONG of Louisiana. Is not this situation comparable with the analogy which a former Democratic standard bearer, Adlai Stevenson, made concerning the Taft-Hartley Act? He said that act had been amended a number of times. Its own sponsor has recommended 25 amendments. Mr. Stevenson said that if a person had a tire which had had 50 punctures in it, rather than to repair the tire again, the owner would probably get another tire.

Mr. KEFAUVER. I agree. In my opinion, there is no way to put the bill in such shape as to assure the protection of the public interest.

Mr. LONG of Louisiana. Many of those who support the bill insisted upon amendments which tended to go in the right direction, but the amendments were not supported by the American Telephone & Telegraph Co. On that basis, they point out their great independence in acting on the bill. But is it not really true that the amendments to the bill, while they might tend to mitigate somewhat the faulty nature of the proposal, failed to remove its basic defects?

Mr. KEFAUVER. The Senator is entirely correct. In that connection, the Senator from Rhode Island [Mr. PASTORE], the chairman of the subcommittee, was most generous in allowing the Senator from Louisiana and me to testify at length before the Committee on Commerce. He afforded us an opportunity to present several suggested amendments which we desired to propose. Some of them have been accepted, but they do not remove the great basic difficulty in the bill.

Also, while the bill has been improved in some respects, it has also been made

worse in committee in other respects. A.T. & T. is now in a position to own 50 percent of the stock, or up to 100 percent of the stock set aside, for the carriers. In a previous bill, they were limited, as I recall, to 25 percent. So while there has been some improvement, there has also been some derogation in favor of greater dominance by the big carriers, especially A.T. & T.

Mr. LONG of Louisiana. I thank the Senator from Tennessee for yielding.

Mr. KEFAUVER. I appreciate the observations of the Senator from Louisiana.

Mr. YARBOROUGH. Madam President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield to the Senator from Texas.

Mr. YARBOROUGH. I commend the distinguished Senator from Tennessee for the notable work he has been doing to inform the Senate and the country of the great detriment to the country which would result from enactment of the bill in its present form. As chairman of the Subcommittee on Antitrust and Monopoly, the Senator from Tennessee held informative hearings. Then he testified day after day before the Committee on Commerce, which held hearings on the communications satellite bill. The Senator from Tennessee has made a notable contribution in the Senate and before the committees. I express my commendation of his vigor.

Mr. KEFAUVER. I appreciate the statement of the Senator from Texas. It has been a great encouragement to all of us to observe the great amount of attention which the Senator from Texas has given to this important problem. In this matter, as he does in so many others which I could enumerate, he works courageously and ever diligently for the public interest. He attended the meetings of the Committee on Commerce at all times and was instrumental in making certain that the committee held full and complete hearings. He presented many amendments, some of which were adopted, which improved the bill.

The distinguished Senator from Texas and the distinguished Senator from Alaska [Mr. BARTLETT] wrote pertinent minority views, urging rejection of the bill. Their views are contained in the report of the committee. I congratulate the Senators upon them.

Mr. YARBOROUGH. I thank the distinguished Senator from Tennessee. I further commend him for the affirmative proposal which he has introduced in the Senate. His has not been merely a negative view, seeking to oppose a bill which is pending. He himself has pending affirmative proposed legislation, and he is the principal sponsor of an amendment to the pending bill, that being the amendment designated "6-15-62-H," to call upon the Satellite Communications Authority to act to create a Government-owned corporation and to keep the rates at a level which will be in the public interest. So the Senator from Tennessee has not merely followed a course of negation; he has followed an affirmative course, a course which seeks to do something for the benefit of the country; something which will be workable



and practicable and will result in great benefit to all the people of the Nation. I congratulate him upon the positive, affirmative approach he has taken.

Mr. KEFAUVER. The feeling of the Senator from Texas is greatly appreciated. I know it will be given careful attention in the Senate and throughout the country.

Mr. YARBOROUGH. I thank the distinguished Senator from Tennessee.

#### AWARD OF PROJECT MOHOLE CONTRACT

Mr. KUCHEL. Madam President, on March 30, 1962, I requested the Comptroller General of the United States to investigate the procedures followed by the National Science Foundation in its award of a contract for phase II of Project Mohole to the firm of Brown & Root, Inc., of Houston, Tex. On June 18, 1962, the Comptroller General submitted to me an 8-page report on this matter.

In this report the Comptroller General summarized the procedures followed by the National Science Foundation in making this procurement. He noted that the NSF has tentatively agreed to award Brown & Root a fixed fee contract of \$1.8 million, based on a project duration of about 5 years and ultimate project costs of \$43.6 million.

The Comptroller General expressed doubt that "meaningful estimates of costs could have been developed for a research project such as Mohole." He did note, however, that the final competing groups were asked in January 1962, by the NSF, "to estimate the cost and time required to carry the project through the initial penetration of the mantle beneath the earth's crust."

I found it revealing that Global-Aerojet-Shell Marine Co., a joint venture, estimated a cost of \$23 million and a time requirement of 33-45 months. Brown & Root estimated \$35 million and 5 years, while Socony Mobil estimated \$44 million and about 5 years. As I noted earlier, the apparent award cost and time will be that proposed by Socony Mobil, although the award will go to Brown & Root.

In the Comptroller General's report, I found especially interesting the description of the contractor selection procedures which were used by the NSF in making this award. Generally, five broad categories of criteria for the evaluation of the various proposals were approved by the Director of the NSF. These criteria and their subfactors had various weights and points. The least weight, 8 percent, was given to the "financial capability" of the firm; another 8 percent was assigned to "comprehension and soundness of approach"; then 14 percent to "support facilities available or readily obtainable"; 31 percent was assigned to "technical and scientific experience and capability." However, the greatest emphasis, 39 percent, was given to "management and policy considerations."

Despite this emphasis on "policy" considerations, a preliminary evaluation panel consisting of six program and administrative staff members of the Foundation ranked Brown & Root fifth

out of 11 responsive proposals. This panel stated that the proposal of Socony Mobil was "in a class by itself—outstanding as to every important aspect." The panel noted that the Global-Aerojet-Shell proposal was in a strong second position; but, according to the Comptroller General, the panel "found no apparent clear-cut order" below these two proposals.

The NSF Director next appointed a review panel of four senior NSF officials "to make a further evaluation and review the work of the preliminary evaluation panel." The Socony Mobil proposal was again found to be the best of those received. According to the Comptroller General, the two panels in a joint report "unanimously selected the proposal of Socony Mobil as their first choice and agreed that the proposals of Brown & Root, General Electric, Global-Aerojet-Shell, and Zapata—Off-Shore Co.—stood out over the others."

In December 1961, these five organizations had individual conferences with NSF officials. A reevaluation took place; and Global-Aerojet-Shell now scored first, with 968; Socony Mobil was second, with 964. Much further down the list was Brown & Root, with 899; followed by Zapata Off-Shore Co., with 890; and the General Electric Co., with 846. Although only 9 points separated Zapata from Brown & Root, the latter remained in the competition, while Zapata and GE were dropped.

The preliminary evaluation panel recommended that the three remaining organizations be visited in order "to obtain additional information for making a final evaluation." Following these visits, the two panels, in another joint report, stated that all three organizations were competent to complete effectively the Mohole project. According to the Comptroller General, these panels "made no recommendation as to the one which should be selected, because of the panels' inability to reconcile completely the varying views of the individual panel members."

Both "competence" and "policy" factors were among the criteria. But it was noted that the panel was "equally divided between the selection of Brown & Root and one of the oil companies, with Global-Aerojet-Shell favored if an oil company was to be selected."

The Director of the National Science Foundation, under the authority delegated to him by the NSF Board, awarded the contract to Brown & Root, Inc. The Comptroller General states that the NSF was "within its statutory authority in awarding the contract by negotiation rather than by competitive bidding under formal advertising procedures."

While noting that the "criteria and weights are basically sound and proper for application in a procurement of this nature," the Comptroller General makes it clear that "because of the scientific, technical, and engineering judgments necessarily involved in such application—he was—unable to state whether the criteria were adequately applied in evaluating the proposals."

Referring specifically to various "policy" factors "which were not included in the point evaluation but were consid-

ered in the final evaluation," the Comptroller General noted that while they were proper, "the records are not as clear as might be desired on this point." He added that "it would appear that any advantage Global-Aerojet-Shell and Socony Mobil may have held over Brown & Root in the factors previously considered in the point evaluation was offset by policy determinations favoring Brown & Root."

The Comptroller General stated that both the panels and the Director considered policy factors in considerable detail, but that "in the absence of evidence that such determinations were arbitrary or capricious, this Office—of Comptroller General of the United States—will not attempt to substitute its judgment for that of the contracting agency."

I do not quarrel with that, Madam President.

So far as the Comptroller General is concerned, this case, which began when the NSF arbitrarily denied the press access to the records of the Mohole award, is closed. I am grateful for the scrutiny the Comptroller General gave this matter. I am disappointed, however, that he did not see fit to recommend legislation which would clarify the requirements which should be followed in open-end awards of this type. I do believe that the executive branch, the responsible congressional committees, and all of us who are charged with the care of the taxpayers' dollar, have a solemn obligation to further examine similar situations.

I do not know whether the public interest is served in the award of this contract. I hope it is. I do know that the Comptroller General portrays a history of this transaction that is difficult for me to understand.

My concern in this governmental contract, as in every governmental transaction, is the protection of the interest of the American people. In an award, the lowest responsible bidder should prevail. Of course, there is the important element of judgment by the public servant involved in the award. But when so-called "policy considerations" overturn what appear to be unassailable facts on who can do the job the cheapest, those "policy considerations" ought to be fully and completely disclosed. And except where the national security is a factor, the public's business ought always to be performed in full public view.

I am not prepared to accept the Comptroller General's conclusion that in the field of the National Science Foundation's procurement policy, no legislative changes are indicated. This problem, in my view, requires considerable careful study by the Congress, and particularly by the Senate Committees on Government Operations and Labor and Public Welfare, which have jurisdiction over the work of the National Science Foundation. We seek to serve the public interest, not the interests of the selfish few, no matter how politically powerful they may appear to be.

Madam President, I ask unanimous consent to have printed at this point in the RECORD the text of the June 18 letter from the Comptroller General to me; the text of my letter in regard to this

matter, dated March 20, and addressed to the Director of the National Science Foundation; the text of my March 30 letter to the Comptroller General; as well as newspaper articles on this matter from the March 18, March 22, April 1, April 3, May 11, and May 18 issues of the Los Angeles Times.

There being no objection, the letters and the articles were ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL OF THE

UNITED STATES,

Washington, June 18, 1962.

HON. THOMAS H. KUCHEL,  
U.S. Senate.

DEAR SENATOR KUCHEL: Pursuant to your request dated March 30, 1962, we have reviewed the award of letter contract NSF-C260 to Brown & Root, Inc., by the National Science Foundation for phase II of the deep crustal studies of the earth—commonly referred to as the Mohole project. You requested our opinion as to what Federal statutes governed the award of the contract; whether the statutes were followed; and since there was no competitive bidding, what recommendations, if any, we could suggest for improvements to the law which would serve the public interest more efficiently. You also requested our views relating to the administrative procedures followed by the National Science Foundation in the award of the contract, including the soundness of the qualitative standards used and whether such standards were adhered to in light of the award.

Our comments and conclusions relating to these matters follow:

Letter contract: The letter contract between the National Science Foundation and Brown & Root, Inc., dated March 16, 1962, is an agreement to negotiate a definitive cost-plus-a-fixed-fee contract for the furnishing of the services, material, facilities, and all work necessary for the drilling, sampling, and logging of a hole through the crust of the earth. The contract provides for Brown & Root to proceed immediately with the preparation of an engineering plan, detailed cost estimates, and recommendations relating to the various scientific and engineering aspects of the project. The contract further provides for the execution of a definitive contract by June 20, 1962, at which time the letter contract will terminate, unless extended by the foundation. Expenditures or obligations of Brown & Root under the letter contract are limited to \$1.2 million, except that the limitation may be increased by the foundation upon request by the contractor.

We were informed by contract officials of the foundation that negotiations with Brown & Root were proceeding toward the award of a definitive contract and that the negotiations have resulted in a tentative understanding for a fixed fee of \$1.8 million based on a project duration of about 5 years and ultimate project costs of about \$43.6 million.

Contracting authority: The letter contract was made pursuant to authority contained in the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861-1881). Section 3 of the act authorizes and directs the Foundation, among other things, "to initiate and support basic scientific research and programs to strengthen scientific research potential in the mathematical, physical, medical, biological, engineering, and other sciences, by making contracts \* \* \* to support such scientific activities \* \* \*." Section 11 of the act further authorizes the Foundation, within the limitations of available appropriations, to do all things necessary to carry out the provisions of the act, including specifically the authority, when deemed appropriate, to enter into contracts

for carrying on basic research activities without legal consideration, performance or other bonds, and formal advertising.

Contractor selection procedures: The selection of the contractor began on July 27, 1961, when the Foundation issued an "Invitation To Submit Proposal for Phase II of Mohole Project." The invitation requested that prospective contractors submit proposals for the management of the entire project including the providing of necessary services, facilities, material, and equipment. The invitation further stated that:

"Proposals will be evaluated on the basis of engineering approach, skills, experience, and your independent appraisals as to how you would manage the entire program. \* \* \* Your submission showing your comprehension of and response to the problem, the feasibility of your approach and your demonstrated capabilities will be among the key factors in selection of the prime contractor."

In addition to the management proposal, prospective contractors were requested to submit supplemental information relating, among other things, to their experience in the field of experimental projects, the qualifications of staff members that would be assigned to the project, the organization's experience in marine operations, the availability of facilities required for the project, and the rate of fixed and overhead fees that would be charged to the contract. Prospective contractors were specifically advised, however, that "cost estimates are not required to be submitted in response to this invitation." We were informed by officials of the Foundation that a research engineering and development undertaking of the nature of the Mohole project involves many engineering and scientific problems for which the solutions are yet unknown and that decisions relating to such things as the location of the drilling site, type of drilling ship or platform required, and design of drilling equipment were not to be made until the contractor had analyzed all research, development, and scientific data related to the project, prepared an engineering plan, and made related cost studies. For these reasons, the Foundation believed that cost estimates with the initial proposals would not be meaningful as a factor for evaluation of the proposals.

Five broad categories of criteria for the evaluation of proposals were approved by the Director of the National Science Foundation with weights and points assigned to each as follows:

	Weight	Points
	Percent	
1. Financial capability.....	8	80
2. Comprehension and soundness of approach.....	8	80
3. Management and policy considerations.....	39	390
4. Support facilities available or readily obtainable.....	14	140
5. Technical and scientific experience and capability.....	31	310
Total.....	100	1,000

Each of the five categories comprised two or more subfactors which in the case of categories 3, 4, and 5, were assigned individual weights and points. The weighing of the criteria by the foundation placed primary emphasis on management and policy considerations and on the technical and scientific experience and capability of the organizations submitting proposals. The management and policy considerations factor included as subfactors (1) the general standing and reputation of top-level management within the industry, (2) the priority to be given the project within the organization, (3) the demonstrated use of sophisticated management techniques, and (4) the grasp of organizational problems.

The technical and scientific experience and capability factor covered fields such as ship construction and operations, geophysical instrumentation and exploration, design of drilling equipment, and hardrock and off-shore drilling.

A preliminary evaluation panel, consisting of 6 programs and administrative staff members of the foundation, was appointed by the director to review and evaluate the 12 proposals received in response to the foundation's invitation of July 27, 1961. The panel, on the basis of its review and evaluation of the 12 proposals using the above criteria, rated the proposals in the following order:

	Score
1. Socony Mobil Oil Co.....	936
2. Global-Aerojet-Shell Marine Co. (a joint venture).....	902
3. Zapata Off-Shore Co.....	812
4. General Electric Co.....	811
5. Brown & Root, Inc.....	801
6. University of California.....	787
7. Melpar, Inc.....	780
8. Litten Systems, Inc.....	780
9. System Development Corp.....	756
10. Battelle Memorial Institute.....	753
11. National Engineering Science Co.....	729
12. John W. Mecom Co. and Levinson Steel Co. (proposal not responsive).....	

In its evaluation report, the panel stated that the proposal of Socony Mobil was in a class by itself—outstanding as to every important aspect, and that the proposal of Global-Aerojet-Shell was in a strong second position. Below these two proposals, the panel found no apparent clearcut order and recommended that preliminary negotiations toward award of a contract be started first with Socony Mobil and, if unsuccessful, then with Global-Aerojet-Shell. The panel also recommended that, if one of the first two organizations was not selected, the remaining nine be further considered.

Following the preliminary evaluation, the Director appointed a review panel of four senior officials of the Foundation to make a further evaluation and review the work of the preliminary evaluation panel. The review panel also found the Socony Mobil proposal to be the best of the 12 proposals received. In a joint report, the two panels stated that they unanimously selected the proposal of Socony Mobil as their first choice and agreed that the proposals of Brown & Root, General Electric, Global-Aerojet-Shell, and Zapata stood out over the others. The two panels recommended that further discussions be held with these five top-rated organizations and that declination letters be sent to the remaining seven.

In December 1961, the five top-rated organizations were requested to meet individually with the Foundation during the month of January 1962 to discuss more fully their proposals. The remaining seven organizations were notified that they were eliminated from further consideration as a prime contractor for the Mohole project. Following the conferences with the five organizations, the preliminary evaluation panel reevaluated the proposals and gave them numerical scores as follows:

	Score
1. Global-Aerojet-Shell Marine Co. (a joint venture).....	968
2. Socony Mobil Oil Co.....	964
3. Brown & Root, Inc.....	890
4. Zapata Off-Shore Co.....	890
5. General Electric Co.....	846

The preliminary evaluation panel noted that the Global-Aerojet-Shell and Socony Mobil organizations, rating substantially higher than the other three, appeared about equal in their general capability to undertake the project and that the Brown & Root organization, while not possessing as much in-house capability in the necessary skills



for the project as the two top-rated organizations, had an impressive record of major engineering undertakings, particularly marine engineering. The panel recommended that Zapata and General Electric be eliminated from further consideration and that arrangements be made to visit the remaining three organizations to obtain additional information for making a final evaluation. The review panel, having participated in the discussions with the five organizations and having reviewed the preliminary evaluation panel's report, concurred in the recommendations of the preliminary evaluation panel.

After visits by three members of the two panels to the offices of the three organizations remaining under consideration—Brown & Root, Inc., Shell Oil Co., and Socony Mobil Oil Co.—the panels met and made a final evaluation. The panels, in a joint report, stated that all three organizations were "competent to effectively complete the Mohole project" but made no recommendation as to the one which should be selected because of the panels' inability to reconcile completely the varying views of the individual panel members. The final evaluation comprised an analysis of the information considered pertinent to the selection of a contractor as obtained from (1) the preliminary evaluation of the organizations' original proposals, (2) the meetings with the organizations at the National Science Foundation, (3) the visits to the offices of the organizations, and (4) discussions among responsible personnel of the Foundation, using the following criteria:

Competence factors:

1. Ability to bring project to a successful conclusion.

2. Overall management ability.

3. Engineering and operations know-how.

4. Marine design and engineering, and offshore drilling experience.

5. Research capability and attitude.

6. Comparative starting abilities.

7. Facility of dealing with the contractor and monitoring contractor operations.

8. Cost considerations.

Policy factors:

1. Patent and data disclosure considerations.

2. Size and economic impact of team.

3. International considerations.

4. Make or buy.

5. Petroleum producer versus engineering construction company.

6. Consequences of selection considerations.

The report further stated that members of the panels, weighing the competence and policy factors in accordance with each member's own views, were equally divided between the selection of Brown & Root and one of the oil companies, with Global-Aerojet-Shell favored if an oil company was to be selected.

The record indicates that the Director of the National Science Foundation, under the authority delegated to him by the National Science Board, awarded the contract to Brown & Root, Inc., "as the best qualified, based on (1) Brown & Root's strong management capabilities, (2) demonstrated capability in successfully completing complex projects, (3) their experience in dealing with the oil industry and other industries with capabilities that could be used in Mohole, (4) and the conclusion that the plan it has presented for going ahead with the work will give the Government the best approach to achieve the scientific and engineering goals."

Cost considerations: As requested by the Foundation in the proposal invitation, prospective contractors limited the cost information submitted with their original proposals to a general statement of policy relating to the management fee and overhead rates that would apply to the project. The

proposal of Brown & Root provided for overhead costs of between 3 and 5 percent and a management fee on both prime and subcontract costs. The proposals of Global-Aerojet-Shell and Socony Mobil differed from that of Brown & Root in that no overhead surcharge would be added to subcontract costs and no fee would be charged for management of the project.

During the course of discussions with the organizations in January 1962, the Foundation requested additional information relating to their costing methods and types of overhead which would be added to direct costs. Also, the organizations were requested to estimate the cost and time required to carry the project through the initial penetration of the mantle beneath the earth's crust. Global-Aerojet-Shell estimated a cost of \$23 million and a time requirement of 33-45 months, Brown & Root estimated \$35 million and 5 years, and Socony Mobil estimated \$44 million and about 5 years. The estimates were based on each organization's own concept of the project and on assumptions relating to such matters as site selection, type of vessel or platform to be utilized in the drilling operation, and drilling techniques.

The cost information—fees, overhead, and costing methods—was not a major factor in the Foundation's evaluation of the proposals. The record indicates that the evaluation panels weighed the relative advantages of the no fee, no surcharge on subcontract costs proposals of Global-Aerojet-Shell and Socony Mobil against the fee, surcharge proposal of Brown & Root but that they did not indicate any preference between the three proposals.

Conclusions: Since it is doubtful that meaningful estimates of costs could have been developed for a research project such as Mohole, we do not believe that it would have been practicable for the Foundation to have followed competitive bidding procedures, with award based upon consideration of price as the major factor. The Foundation therefore was clearly within its statutory authority in awarding the contract by negotiations rather than by competitive bidding under formal advertising procedures.

Our review of the evaluation criteria, reports, and related analyses of the proposals by the two evaluation panels in their first and second evaluations of the proposals disclosed that the criteria and weights used by the Foundation in determining the qualifications of bidders were comparable to those used by other Government agencies (e.g., Army Ordnance Corps and the Atomic Energy Commission) in selecting contractors for research and development projects when the primary emphasis is on the managerial and technical qualifications of prospective contractors. We believe that such criteria and weights are basically sound and proper for application in a procurement of this nature. However, because of the scientific, technical, and engineering judgments necessarily involved in such application, we are unable to state whether the criteria were adequately applied in evaluating the proposals.

With respect to those policy factors set forth on page 6, which were not included in the point evaluation but were considered in the final evaluation, it would appear that the questions presented by these factors represent matters properly for consideration under the circumstances involved in this procurement. While the records are not as clear as might be desired on this point, it would appear that any advantage Global-Aerojet-Shell and Socony Mobil may have held over Brown & Root in the factors previously considered in the point evaluation was offset by policy determinations favoring Brown & Root. Policy determinations necessarily involve questions of judgment within the sound discretion of the con-

tracting agency, and in the absence of evidence that such determinations were arbitrary or capricious, this office will not attempt to substitute its judgment for that of the contracting agency. Our review indicates that the policy factors were considered in considerable detail by the panels in their final evaluation, and that these factors were also considered by the Director prior to his determination to award the contract to Brown & Root.

In view of the foregoing, we are unable to conclude that the award to Brown & Root was not in the public interest. Further, we do not believe that our review has disclosed evidence of abuse or misuse of the Foundation's contracting authority which would require or justify recommendations for legislation placing additional requirements or restrictions on the procurement functions of the Foundation.

Sincerely yours,

JOSEPH CAMPBELL,  
Comptroller General of the United States.

U.S. SENATE,  
COMMITTEE ON APPROPRIATIONS,  
March 20, 1962.

DR. ALAN T. WATERMAN,  
Director, National Science Foundation,  
Washington, D.C.

DEAR DR. WATERMAN: I have read with interest the story which appeared in the Los Angeles Times on March 18, 1962, regarding the announcement by the National Science Foundation that a preliminary contract has been signed for the second phase of Project Mohole.

Project Mohole, which seeks to provide us with vital new information about the structure of our planet, has held a particular fascination for me. This project, which began off the coast of California and whose first phase was successfully completed by a Los Angeles firm almost a year ago, will certainly be of great value in providing our earth scientists with many new insights into the nature of the earth. I shall watch the development of the second phase for which you have now announced the award of a preliminary contract to Brown & Root, Inc., of Houston, Tex., with great interest.

I am deeply disturbed, however, by the Foundation's refusal to divulge the cost estimates supplied by the three finalists for this contract. I am fully aware, as reported by the Times, that other considerations besides those of cost were paramount in your final decision. However, since this is a non-military project which I assume does not involve our national security, I respectfully request that you supply me with the actual cost estimates furnished to you by the three final competitors for the second phase of Project Mohole. I would also be grateful to know on what grounds this information has been denied to the public through the press.

With kindest regards.

Sincerely yours,

THOMAS H. KUCHEL,  
U.S. Senator.

U.S. SENATE,  
COMMITTEE ON APPROPRIATIONS,  
March 30, 1962.

HON. JOSEPH CAMPBELL,  
Comptroller General of the United States,  
General Accounting Office, Washington,  
D.C.

DEAR MR. CAMPBELL: I am most grateful that you have arranged to have members of your able staff inquire into the recent award by the National Science Foundation for the second phase of Project Mohole.

After your scrutiny of this matter, I would be pleased to have your opinion as to what Federal statutes apply to the award of this contract by the National Science Foundation, and whether those statutes were followed. Since there was no competitive

bidding and since this contract will apparently amount to somewhere between \$35 and \$50 million, your recommendations will be welcome as to what, if any, improvements in the law might be enacted to serve the public interest more efficiently.

In addition, I should like to know your views on whether the administrative procedure used by the National Science Foundation in the award of this contract were adequate to protect the public interest. For example, were the qualitative standards designed to pass judgment on the diverse proposals submitted sound? Were these standards followed in light of the final award made by the Foundation?

As I noted in a letter of March 20 to Dr. Waterman, I was disturbed at the Foundation's refusal to divulge the cost estimates and relevant information supplied by the three finalists for this contract. The intelligent inquiry of the public press is essential in a democracy. To deny pertinent data, especially on a nonmilitary project where national security is not involved, violates our deepest American traditions. The people are entitled to know how public business is transacted.

With kindest regards.

Sincerely yours,

THOMAS H. KUCHEL,  
U.S. Senator.

[From the Los Angeles Times, Mar. 18, 1962]

**ANOTHER BIG SCIENTIFIC JOB GOES TO TEXAS FIRM—CALIFORNIA-BASED COMBINE FAILS TO KEEP PROJECT MOHOLE; SOME EYEBROWS RAISED**

(By John H. Averill)

WASHINGTON.—The National Science Foundation announced Saturday the signing of a preliminary contract with Brown & Root, Inc., of Houston for the second phase of Project Mohole which began off the coast of California.

One of the two losers in the decision was an industrial-scientific team headed by the Global Marine Drilling Co. of Los Angeles, which pioneered in the preliminary borings through the ocean floor and, according to NSF, successfully completed them last April.

The contract signed with Brown & Root, a fabulous and far-flung Texas engineering and contracting firm which has undertaken numerous big government projects since the early days of World War II mobilization, was for \$1.2 million, but the formal contract, to be signed in 90 days will amount to something between \$35 and \$50 million, according to the foundation.

#### PLAN TO PIERCE CRUST

The aim of the Mohole project is to drill a hole through the earth's crust and into a layer beneath called the mantle. This would give scientists information about the age and structure of the earth.

It was the second time in recent months that eyebrows in the Capital have been raised by the Texas firm snagging a spectacular Government project from another State where it had been apparently proceeding satisfactorily. Brown & Root was named by the National Aeronautics and Space Administration as the contractor for the new Project Mercury space headquarters in Houston.

#### JOHNSON'S STATE

Virginia and Florida, where the man-in-space activities have been concentrated in the past, were the only two Southern States to desert the Democratic fold last election. It is not lost on political observers that Vice President JOHNSON, whose task was to hold the once "solid South" for the ticket, has overall responsibility in the Kennedy administration for space activities as Chairman of the National Space Council and longstanding loyalties to his native Texas.

The funds for both NASA and NSF are voted by the independent offices subcom-

mittee of the House Appropriations Committee, headed by Representative ALBERT THOMAS, Democrat, of Texas, who has represented Houston in Congress since 1937. This was also the year LYNDON JOHNSON was first elected to Congress from Austin in a special election.

Because of the unprecedented nature of Project Mohole, conventional bids were not required from the three competing combines, NSF officials explained. However, a high NSF official indignantly refused to supply the Times with the "rough cost estimates" submitted by the finalists, or to discuss the considerations governing the award in any detail.

Paul A. Scherer, NSF's Associate Director for administration, accused the Times reporter of "attacking the foundation" when asked how, in light of President Kennedy's repeated pledges of open information in non-sensitive areas, he could put a "secret" tag on a nonmilitary project involving millions in public funds.

#### DIRECTOR UNAVAILABLE

Dr. Alan T. Waterman, Director of the NSF, was unavailable for comment Saturday.

Other NSF officials and knowledgeable Government scientists, while nervously asking anonymity for their comments and also declining to divulge the monetary amounts involved, expressed some surprise at the decision but explained that cost was not the governing factor in this case.

They said the winning firm was chosen by a five-man NSF screening committee which made final recommendations to Dr. Waterman on the basis of know-how and each applicant's proposed attack on the problem.

Global Marine, the Los Angeles firm which has extensive experience in deep-sea drilling operations for oil and conducted the initial phase of Project Mohole, involving probes to record depths of 11,000 feet off Guadalupe Island off Baja California, after earlier tests off La Jolla, was allied in its bid to continue with Aerojet-General Corp. of Azusa and the Shell Oil Co.

#### REFUSE COMMENT

The other loser was another combine headed by Socony Mobil Oil Co. and including Standard Oil Co. of California, General Motors, Texas Instruments, and Humble Oil Co. Spokesmen for both combines refused any comment on the award.

It was hardly a surprise in Houston, however, that Brown & Root had the inside track in Washington.

The Houston Post carried a local story on February 11, more than 2 weeks before the NSF's first disclosure of their decision to "negotiate" Saturday's contract with the Houston firm, saying that Rice University had been asked to furnish the scientific consulting services for Project Mohole if "in addition to manned exploration of outer space, there shall be assigned to Houston industry and to Rice the responsibility for the principal engineering and scientific planning and execution of Project Mohole."

The source of the story was the Rice University Engineering Quarterly, and Rice President Kenneth Pitzer was quoted as reluctant to elaborate on a situation he considered "premature."

#### HEADS RICE BOARD

Chairman of the board of trustees of Rice is George R. Brown, executive vice president of Brown & Root, which is headed by his brother Herman as president. The firm was started as a partnership in 1919 with a brother-in-law of the Browns, Dan Root, who died in 1929. Brown & Root has grown rapidly since 1936 when it won its first Federal Government job, the Marshall Ford Dam north of Austin, in 1936.

In May 1957, the business publication, Business Week, profiled Brown & Root in an article entitled "Roadbuilders With a Flair for Other Jobs." The story told how the

Brown brothers had built up their construction concern from scratch to a multimillion-dollar operation—much of it through Government contracts.

Business Week also described President Herman Brown as a close friend and associate of the then Senate majority leader, Senator JOHNSON, and Representative THOMAS. It made no mention of either Brown brothers' political affiliation nor do their authorized biographies in "Who's Who in America" but the liberal magazine the Nation, in its November 10, 1951, issue, described Herman Brown as a Texas political powerhouse seemingly "able to secure the passage in the Texas Senate of practically any bill he chooses to have introduced."

Diligent inquiry by the Times has failed to produce any evidence of political influence in the Mohole contract award either by Brown & Root or any of the elected Texans in official positions here. This makes even more inexplicable NSF's official refusal to discuss candidly for the record the basis for the award or the comparative cost estimates submitted.

It was learned, however, that NSF began pointing toward phase two last summer after completion of the preliminary experimental probing in Pacific waters. The foundation canvassed numerous firms that indicated an interest in the second and far more important phase. Out of this grew a meeting last autumn attended by representatives of 84 firms, including some of the Nation's biggest and best known concerns. The meeting resulted in the foundation's receiving 12 separate proposals from individual firms or combinations of firms on how best to tackle the big project, which were finally reduced to three and then one.

Brown & Root's background in offshore drilling, competent scientific sources said, was in relatively shallow waters of the Gulf of Mexico, while Global Marine and the third combine had done similar oil drilling in the Pacific and other waters. The final location of the phase 2 Mohole probe has not been selected by the National Science Foundation, but it must be under the ocean floor because the earth's crust is believed to be thinner there than on dry land.

[From the Los Angeles Times, Mar. 22, 1962]

**KUCHEL DEMANDS DETAILS ON AWARD OF MOHOLE JOB TO TEXAS CONCERN**

(By John Averill, Times Washington bureau)

WASHINGTON.—Senator KUCHEL, Republican, of California, called Wednesday for replies to some unanswered questions involving the National Science Foundation's award of the Project Mohole contract to a Texas firm.

KUCHEL asked Dr. Alan T. Waterman, the NSF director, for cost estimates furnished by the three final competitors for the spectacular project which involves drilling a hole through the ocean floor in an attempt to unlock secrets of the earth's birth.

The first phase of the project was carried out off the California coast by a Los Angeles firm.

In a letter to Waterman, the Senator said he was "deeply disturbed" by the Foundation's refusal to divulge cost estimates from the competing organizations.

"I would also be grateful to know on what grounds this information has been denied to the public through the press," KUCHEL wrote.

As reported by the Times last Sunday, the NSF signed a preliminary contract for the second and final phase of the Mohole project with Brown & Root, Inc., a huge engineering and contracting firm in Houston. The preliminary award was for \$1.2 million but a formal contract expected to total between \$35 million and \$50 million will be signed in approximately 90 days, the NSF said.



One of the two losers in the decision to give the contract to Brown & Root was an industrial scientific team headed by the Global Marine Drilling Co. of Los Angeles. NSF said this team "successfully completed" pioneer work in Pacific waters last April.

It was the second time in recent months that Brown & Root had plucked a major Government project from another State where it apparently had been proceeding satisfactorily.

When queried by the Times about its decision in awarding the contract, NSF officials flatly refused to disclose cost estimates from the competing organizations. They said cost was not a determining factor since the Mohole project involves so many unknowns it would be almost impossible to estimate expenses accurately.

The deciding factor, they said, was the NSF's evaluation of which contestant could do the best job. While describing the decision as "very difficult," foundation officers said they felt Brown & Root was best equipped.

Kuchel, in his letter to Waterman, said:

"Project Mohole, which seeks to provide us with vital new information about the structure of our planet, has held a particular fascination for me.

"This project, which began off the coast of California and whose first phase was successfully completed by a Los Angeles firm almost a year ago, will certainly be of great value in providing our earth scientists with many new insights into the nature of the earth.

"I shall watch the development of the second phase for which you have now announced the award of a preliminary contract to Brown & Root, Inc., of Houston, Tex., with great interest.

"I am deeply disturbed, however, by the foundation's refusal to divulge the cost estimates supplied by the three finalists for this contract.

"I am fully aware, as reported by the Times, that other considerations besides those of cost were paramount in your final decisions. However, since this is a non-military project which I assume does not involve our national security, I respectfully request that you supply me with the actual cost estimates furnished to you by the three final competitors for the second phase of Project Mohole. I would also be grateful to know on what grounds this information has been denied to the public through the press."

Meanwhile, the House Government Information Subcommittee also moved to obtain the same information. The subcommittee, which has long campaigned for a freer public access to governmental information, said it will ask the NSF to supply it with details of Mohole project award.

[From the Los Angeles Times, Apr. 1, 1962]  
U.S. INVESTIGATES MOHOLE CONTRACT—ACCOUNTING OFFICE EYES AWARD OF DRILL JOB TO TEXAS COMPANY

(By John H. Averill)

WASHINGTON.—Senator KUCHEL, Republican, of California, disclosed Saturday that Government auditors are investigating the award of the Project Mohole contract to a big Texas engineering and construction firm.

KUCHEL disclosed this in making public a letter to Joseph Campbell, U.S. Comptroller General and head of the General Accounting Office. The GAO, the auditing agency of Congress, is conducting the investigation. KUCHEL's letter was to thank Campbell for agreeing to undertake the inquiry.

The investigation is an outgrowth of a demand by KUCHEL on March 20 that the National Science Foundation provide information on the awarding of the contract for

the second phase of Project Mohole to Brown & Root, Inc., of Houston, Tex.

#### IN EARTH'S CRUST

The project, which NSF estimates will cost the Government \$35 million to \$50 million before it is finished, calls for drilling a hole through the ocean floor at a deep sea site and penetrating the earth's crust in an effort to find clues to the earth's origin.

The first phase of the project was carried out off the California coast by a Los Angeles firm which lost to Brown & Root in competing for the second phase contract award.

In response to KUCHEL's request, NSF officials submitted some documents to him during the past week. KUCHEL had GAO investigators examine the papers. He said later that "in the opinion of the Comptroller General the documents were inadequate and insufficient" to explain the basis on which the NSF awarded the contract to Brown & Root.

#### DISCLOSURE REFUSED

KUCHEL entered the case after the Times reported on March 18 that the NSF had refused to disclose the cost estimates submitted by Brown & Root and the competitors seeking the second phase contract.

Denouncing this refusal, KUCHEL said in his letter to Campbell:

"The intelligent inquiry of the public press is essential in a democracy. To deny pertinent data, especially on a nonmilitary project where national security is not involved, violates our deepest American traditions. The people are entitled to know how public business is transacted."

KUCHEL thanked the Comptroller General for agreeing to look into the case and asked him to determine whether Federal laws that might apply to the contract award were observed.

#### OPINION ASKED

"After your scrutiny of this matter," KUCHEL wrote Campbell, "I would be pleased to have your opinion as to what Federal statutes apply to the award of this contract by the National Science Foundation and whether those statutes were followed."

KUCHEL told the Times that Campbell had informed him GAO investigators intend to make a thorough examination of NSF files dealing with the Mohole contract.

[From the Los Angeles Times, Apr. 3, 1962]  
MOHOLE CONTRACT DETAILS ASKED OF FOUNDATION—MOSS ASKS NATIONAL SCIENCE ORGANIZATION TO CITE AUTHORITY FOR SECRECY ABOUT COSTS

WASHINGTON.—Representative JOHN MOSS, Democrat, of Sacramento, demanded Saturday that the National Science Foundation explain how and why it has withheld information about the huge Project Mohole contract, which has been awarded to a big Texas engineering and construction company.

Moss, chairman of the House Special Government Information Subcommittee, sent a letter to Dr. Alan T. Waterman, director of the foundation, asking him to cite the statutory authority under which the foundation has refused to divulge cost estimates submitted for phase two of Project Mohole.

At a cost of between \$35 and \$50 million, Project Mohole is to drill a hole through the ocean's floor to penetrate the earth's crust and learn previously unknown facts about the origin of the earth.

#### KUCHEL HEARD FROM

The contract for phase two of the project was awarded to Brown & Root, Inc., of Houston, Tex., instead of to the Los Angeles firm that conducted phase one of the project off the California coast.

Senator KUCHEL, Republican, of California, asked the foundation on March 20 to provide him with information about the con-

tract. Last week KUCHEL disclosed that the General Accounting Office is investigating the matter.

Moss noted in his letter to Waterman that his subcommittee had been informed "that tentative cost estimates submitted by firms involved in negotiation of contracts for phase two of the Mohole project are not available to the public." He said that he had been informed that the figures might be "susceptible to gross misinterpretation should they be taken out of context and made public."

#### MOSS LETTER QUOTED

Moss wrote: "Certainly the difficulty of producing clear explanations of the cost of scientific thrusts into the unknown areas of space and the sea is clearly understood.

"At the same time it remains the responsibility of those entrusted with Government business to make every possible effort to lay the facts before the people who are called upon, time and again, to pay the bills for our scientific ventures."

[From the Los Angeles Times, May 11, 1962]  
CONGRESS PROBES PRESS FOR MOHOLE COST DATA—RENEW THEIR DEMAND THAT FOUNDATION REVEAL FIGURES USED FOR CONTRACT

WASHINGTON.—Congressional investigators renewed demands Thursday that the National Science Foundation make public the cost estimates involved in the award of a contract to dig a hole in the ocean floor.

Chairman JOHN E. MOSS, Democrat, of California, of the House Government Information Subcommittee made the demand after the Foundation rejected his request for cost information used in awarding the contract for the second phase of Project Mohole to Brown & Root, Inc., of Houston.

Moss first demanded the information after the Times reported on March 18 that the NSF had refused to disclose cost estimates submitted by Brown & Root and two other competitors, including a California combine, seeking the Mohole contract. The foundation said the project involves so many unknowns that cost estimates were no more than rough guesses.

#### SEEK EARTH'S ORIGIN

The project, which the NSF roughly estimates will cost the Government anywhere from \$35 to \$50 million, calls for drilling a hole in the ocean floor at a deep site in an effort to find clues to the earth's origin.

Replying to Moss earlier this month, NSF Director Alan T. Waterman said, "In only two or three instances were any figures given in writing and these were not in any way part of the proposals submitted."

In light of this, Waterman said "it does not appear appropriate to publicly disclose" the cost estimates.

Moss emphatically disagreed. In a reply to Waterman, made public Thursday, the Sacramento Congressman said:

"I am fully aware of the difficulty of estimating costs for scientific thrusts into the unknown. I also am aware that the National Science Foundation, as a responsible Government agency, must have a general idea of how many millions of tax dollars will be spent drilling a hole in the ocean floor."

#### TAXPAYERS' RIGHT

Moss added that the foundation "would be derelict in its responsibility if a general idea of the cost of the project were not developed." And he said the taxpayers "who will finance the project have a need and a right to know what the responsible bidders thought the Mohole project might cost."

To back up his demand, Moss asked the foundation to cite the statutory authority under which it might justify its withholding the information. He had made such a request in his first letter but Waterman didn't supply it.

[From the Los Angeles Times, May 18, 1962]  
**MANHOLE CONTRACT FIRM GETS AIDS FROM RIVALS—NEW COMPANY RETAINED AS CONSULTANT IN SECOND PHASE OF UNDERSEA PROJECT**

WASHINGTON.—The big Texas engineering firm that overcame two competitors in snagging a prestigious Government contract for the second phase of Project Mohole is rounding up technical talent from its vanquished competition.

This new development in the continuing controversy over the Mohole contract came to light Thursday with formation of a new Washington corporation to engage in deep-sea engineering.

The new concern, known as Ocean Science and Engineering, Inc., reported it has been retained by Brown & Root, Inc., of Houston to serve as consultants on the Mohole project.

President of the new firm is Willard Bascom, who was director of the first phase of Project Mohole. That phase was completed last year, much of it in the waters off Southern California.

#### REVOLUTIONARY PROJECT

Project Mohole is a revolutionary scientific program being carried out by the National Science Foundation to dig a hole through the floor of the ocean in an effort to penetrate the earth's outer crust. The aim is to unlock some of the secrets of the earth's origin and scientists believe this can be best accomplished from some deep sea site where the crust is thinner than on land.

As director of phase one of the project, Bascom worked with the Global Marine Drilling Co. of Los Angeles, which has been hired by the National Science Foundation to carry out the first phase. After successfully completing its pioneer borings through the ocean floor, Global Marine organized an industrial scientific team to compete for the phase two contract. According to reliable reports Bascom again would have directed the work for Global Marine.

#### CONTRACT AWARDED

However, NSF awarded the contract to Brown & Root, most of whose marine drilling experience has been in the relatively shallow waters of the Gulf of Mexico.

Questioned about his arrangement with Brown & Root, Bascom said he personally is not involved but that "five of our people are down at Brown & Root headquarters in Houston." He said they are serving on a day-to-day basis as consultants and advisers.

Although NSF officials have contended they regarded Brown & Root as the best qualified concern to carry out phase two, Bascom said:

"They need all the help they can get, believe me."

He said that he is hopeful of obtaining a subcontract from Brown & Root to participate in the second phase of the project.

#### COMMERCIAL COMMUNICATIONS SATELLITE SYSTEM

The Senate resumed the consideration of the bill (H.R. 11040) to provide for the establishment, ownership, operation, and regulation of a commercial communications satellite system, and for other purposes.

Mr. KEFAUVER. Madam President, we were discussing the way this program got off to a bad start and the way, apparently, the administration was influenced in the direction of the bill, although the bill does not meet many of the guidelines laid down by the President in his original message. We were discussing the fact that the Federal

Communications Commission would delegate to the communications carriers themselves the use of the new satellite communications system, which naturally they wish to have.

Mr. BURDICK. Madam President, will the Senator yield?

Mr. KEFAUVER. I am happy to yield to my good friend from North Dakota.

Mr. BURDICK. I have listened with interest to the contribution the Senator has been making today. I am sure all Senators appreciate it.

I was interested in what the Senator had to say about the constitution of the corporation. I understand that one-half of the stock would be owned by the carriers and one-half of the stock would be owned by the public. Do I correctly understand further that the Senator said one carrier could own 50 percent of the stock?

Mr. KEFAUVER. That is roughly correct. The bill originally provided that 50 percent of the stock would be set aside for the international communications carriers and 50 percent of the stock would be set aside for the public, and that foreign companies or individuals could buy up to 20 percent of the 50 percent. Corporations or individuals might own up to not more than 20 percent of the 50 percent.

But there is a "gimmick." The "gimmick" is that the communications carriers do not have to buy all the stock which is to be set aside for them in order to elect six directors. This is really a "sleeper" in the bill. In other words, if we assume that the corporation authorizes \$50 million worth of stock, half of the stock would be available to be sold to the public, as we have stated. Half of the stock would be available for the communications carriers to buy.

The communications carriers theoretically could buy only \$500,000 worth of stock, or any amount of stock, and still would be able to elect 6 of the 15 directors who would operate the company. There would be no compulsion on the carriers to buy the half of the stock which is to be set aside for them. They could put all their investment in bonds and other securities, which would pay interest. This also would enable them to include that kind of securities in their rate base, so that from the very beginning they would have a double payment or double benefit. They could put the amount of money they wished in bonds or other securities, and put that in the rate base, and they would receive the interest or the dividends which might come from the investment they might make in the bonds or securities of the corporation.

Mr. BURDICK. I notice that in the report on page 21 it is stated, in reference to the 50 percent of stock the public is to buy—

The initial offering is to be sold at a price not to exceed \$100 a share and in a manner to encourage the widest distribution to the American public—

And so forth. There are 180 million people in this country. Would the Senator care to venture a guess as to what percentage of the 180 million people would own some of the stock?

Mr. KEFAUVER. Even Dr. Welsh and all the witnesses for the administration testified that that is only window dressing. That does not represent to any degree whatsoever the contribution made by the taxpayers of this Nation.

The idea is to enable people to buy a share of stock, possibly, if they can ever get one, but that is in no way representative of the contribution by the people who pay taxes in this country.

Statistics show that 1.8 percent of the people of the United States own 82 percent of the value of all the stocks in the United States. We know that many people do not "play the stock market". Many people do not have \$100 to put into a share of stock. Many people would not know how to buy a share of stock if they had \$100.

No method is set out for enabling people to buy stock. I presume the stock would be put on the market through the big brokerage houses. They would allocate the stock to banks, trust companies, and corporations which are normally their customers, and the people would not have a look-in.

The supposed opportunity for an individual to buy stock is a "flimflam." It is in no way commensurate with the investment the American taxpayer will have, through the payment of taxes.

Mr. BURDICK. Would it be a fair statement to say that the so-called public ownership would be limited to an infinitesimal part of 1 percent of the population of the country?

Mr. KEFAUVER. I think it would be a very small part of 1 percent of the population of the country. It would be a very small part of 1 percent of the taxpayers of this country.

Mr. BURDICK. The theory in the present bill is that such a percentage would represent the American public; is that correct?

Mr. KEFAUVER. The theory of the bill is that that is the way the American public will receive some benefit from the great giveaway which is proposed in the bill.

Mr. BURDICK. I thank the Senator from Tennessee.

Mr. KEFAUVER. Also, \$100 is a very high price for a share of stock. When one looks at the stocks on the New York Stock Exchange, one finds that only about ten out of about a thousand common stocks listed on the New York Stock Exchange are valued at over \$100, and that is based upon values some time ago, before the recent drop in the values of stock.

Mr. GORE. Madam President, will the Senator yield?

Mr. KEFAUVER. I am happy to yield to my distinguished colleague.

Mr. GORE. I have listened with interest to the detailed analysis which my senior colleague from Tennessee has so ably made thus far. I am concerned with the foreign policy aspects of the pending bill. Is it not proposed that the system be an international satellite communications system?

Mr. KEFAUVER. I know that the Senator is concerned about the foreign policy aspects of the bill, as I am, and as all Senators should be. It has far-



reaching foreign policy aspects. The bill envisions an international communications satellite system. The Senator is correct.

Mr. GORE. In its wisdom or lack thereof the Congress could enact a bill which would confer upon an existing corporation, or a corporation to be created, power to establish a communication system within the United States. However, is it within the power of the Congress to give to the proposed private monopoly an international communication setup?

Mr. KEFAUVER. This is the first time that I know of that Congress has seriously considered a bill which would transfer and convey the sovereignty of the United States, and which would transfer from Congress to a private corporation the power of making treaties and agreements which are ordinarily ratified by the Senate.

Mr. GORE. The bill undertakes to make the proposed private corporate monopoly an agent of the United States.

Mr. KEFAUVER. Yes, indeed; and it would assume the full responsibility. The State Department would have no authority. It is really ironic that if the private corporation asks the State Department to help, the poor little State Department must come along and help out, but it would have no initiative of its own.

Mr. GORE. To spell it out in more detail, in order for the proposed system to become an international satellite communications system, it would be necessary to enter into agreements or treaties with a large number of nations. Indeed, unless such agreements were entered into, there could be no international satellite communication system.

Mr. KEFAUVER. The Senator is correct. The proponents of the bill would point out that an international carrier has entered into a bilateral agreement with a government-owned and operated telephone company in England, involving two, or perhaps three companies.

But what we are talking about is something entirely different, as the Senator has so well said. The measure envisions an international agreement of great importance among many, many nations, which would involve treaties that would require ratification by the Senate.

Mr. GORE. I ask the Senator if it is not a fact that the bill submitted to the Congress by the administration contained a provision under which the State Department would conduct such negotiations?

Mr. KEFAUVER. Yes. In the original bill submitted to Congress the President included a provision which would require the State Department to conduct the negotiations.

Mr. GORE. The bill as submitted by the President followed the traditional pattern that the executive branch of the U.S. Government would conduct international negotiations to bring about agreements.

Mr. KEFAUVER. The Senator is correct.

On page 17 of the hearings of the Small Business Committee, the following

excerpt from the President's July 24, 1961, statement of principles appears:

The U.S. Government will conduct or maintain supervision of international agreements and negotiations—

And so forth. Section 402 of the bill as originally proposed would require the State Department to negotiate the agreements.

Mr. GORE. The Senator means that the bill submitted by the administration would require the Government of the United States to conduct negotiations with other countries.

Mr. KEFAUVER. Yes. It would provide:

The corporation shall not enter into negotiations with any international agency, foreign government, or entity without a prior notification to the Department of State, which will conduct or supervise such negotiations. All agreements and arrangements with any such agency, Government, or entity shall be subject to the approval of the Department of State.

I have read section 402 of the bill that was sent to the Congress by the administration. That provision was stricken out entirely. Now the only part it is proposed the State Department would play is that it would be notified about what would take place, and if the corporation felt that it needed the help of the State Department, it could call on the State Department. The corporation would not be required to do so. There is no requirement that it call on the State Department. Only if called upon, would the State Department enter into the picture at all.

Mr. GORE. Is it not true that under the terms of the pending bill, if an international satellite communications system is to be achieved, it can be achieved only through the negotiation of agreements between the corporation proposed by the bill and various foreign nations?

Mr. KEFAUVER. The Senator is entirely correct. Various other nations operate communication systems. This is a sovereign matter. Therefore we would delegate to a private corporation our sovereignty for the first time in the history of our Nation.

Mr. GORE. This subject is involved in international and foreign policy complications, even beyond those I have mentioned in these brief questions. It seems to me that the Committee on Foreign Relations should give consideration to the bill.

Mr. KEFAUVER. There is no doubt whatever about that.

Mr. GORE. At the appropriate time I shall suggest that the bill be referred to the Foreign Relations Committee for study and report. It was considered by the Space Committee. I dare say it is as much within the jurisdiction of foreign policy as it is within space activities.

Mr. KEFAUVER. If the Senator were to ask my opinion, I would say that it is, because the very essence of the whole idea, if it is to work at all, and if anything is to be done, shows that it must be accomplished by agreements between the governments of the world.

Mr. GORE. There could be no trial to see whether it would work until an international agreement was reached; and

if it is really to become a global system, it must be a multinational system of treaties and agreements.

Mr. KEFAUVER. The Senator is correct. I think there is every reason why this great, important matter which affects foreign nations and which affects the United Nations and our position in the United Nations, should be thoroughly studied by the Committee on Foreign Relations. Along the line that my distinguished colleague from Tennessee has discussed, I should like to call attention to the presentation made by our Ambassador to the United Nations, Adlai Stevenson. He made this presentation at the United Nations on December 4 last. I will not ask that the entire address be printed in the RECORD. However, beginning at page 156 of the hearings before the Commerce Committee to the "B" at the top of page 158 is of particular interest, and I ask unanimous consent that it may be printed in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

#### GLOBAL SYSTEM OF COMMUNICATION SATELLITES

Now the fourth part of the space program looks toward the establishment of a global system of communication satellites.

Space technology has opened enormous possibilities for international communications. Within a few years satellites will make possible a vast increase in the control and quality of international radio, telephone, and telegraph traffic. In addition, something new will be added—the possibility of relaying television broadcasts around the globe.

This fundamental breakthrough in communication could affect the lives of people everywhere.

It could forge new bonds of mutual knowledge and understanding between nations.

It could offer a powerful tool to improve literacy and education in developing areas.

It could support world weather services by speedy transmittal of data.

It could enable leaders of nations to talk face to face on a convenient and reliable basis.

The United States wishes to see this facility made available to all states on a global and nondiscriminatory basis. We conceive of this as an international service. We would like to see United Nations members not only use this service but also participate in its ownership and operation if they so desire.

The United Nations Organization itself stands to benefit directly from the use of satellites both in communicating with its representatives around the world and in disseminating programs of information and education.

As an example of the potentialities of such use, we hope to have before long an experimental satellite which will transmit across the Atlantic, for brief periods, live television excerpts of debates in the General Assembly of the United Nations.

In preparation for these developments the United States proposes that the International Telecommunication Union consider the various aspects of space communication in which international cooperation will be required. This will assure all members of the United Nations a fair opportunity to express their views. It is particularly important that the necessary arrangements be made for the allocation of radiofrequencies for space communications.

In order to enable less developed countries to participate in effective use of satellite communications, the expanded technical assistance program and the United Nations Special

Fund should give sympathetic consideration to requests for assistance from less developed countries to improve the state of their domestic communications.

The principles I have mentioned are embodied in part D of the draft resolution now before you. If implemented with dispatch they could help to clear the way for cooperative use of a worldwide system of satellite communications.

#### REVITALIZING THE OUTER SPACE COMMITTEE

The fifth part of our program seeks to put new life and new responsibilities in the Committee on the Peaceful Uses of Outer Space.

As we all know, this Committee was established 2 years ago for an indefinite period by Resolution 1472 (XIV) with a continuing mandate to study programs on peaceful uses of outer space which might be undertaken under United Nations auspices, to study the legal problems which might arise from the exploration of outer space, and to plan an international conference for the exchange of experience in the exploration of outer space.

We propose that, in addition to the responsibilities laid down in this original mandate, the Committee should review the activities provided for in this resolution and make such reports as it may consider appropriate. In the four previous parts of the resolution we have specifically noted the role the Committee could play in studying the legal problems of outer space, in reviewing the service arrangements undertaken by the Secretary General, and in examining the proposals for international cooperation in weather and communications.

As my colleagues are aware, Resolution 1472 provided for 24 members of the Outer Space Committee elected for a period of 2 years. We propose to continue the same membership, augmented by the addition of Nigeria and Chad in recognition of the increase in the membership of African states in the United Nations during the past 2 years.

Let the Committee make a fresh beginning. Let the Committee meet early in 1962 to undertake its original tasks and its new responsibilities in connection with these cooperative programs.

We recognize that outer space activities are unique in many respects and that international cooperation is a prerequisite to progress. Although we cannot of course accept the veto in the work of the Committee, we expect that this work can be carried out in a spirit of mutual understanding. We do not anticipate that the nature of the Committee's work would give rise to differences that could not be resolved by discussion. We hope that, proceeding in this spirit, we can finally put life into the Committee created 2 years ago.

I ask the distinguished delegates here to bear in mind that in weather and communications the resolution embodies no commitments to any specific program. It merely calls upon the Secretary General in cooperation with the specialized agencies, and with other organizations, to submit proposals for action. These proposals will be presented to the Economic and Social Council at its 34th session, to the 17th General Assembly, and to the Outer Space Committee.

In short, the resolution in these fields merely clears the way for deliberate consideration of programs by government representatives. Such basic studies ought not be further delayed.

Now we have sought in good faith and so far as is possible to present a program which is above the clash of partisan politics or the cold war. The principles and programs embodied here bestow no special advantage on any state—they are in the interest of all states.

The resolution deals exclusively with the peaceful uses of outer space. The military

questions of space are closely entangled with the military questions of earth. We believe that they require urgent study as part of comprehensive negotiations for general and complete disarmament.

This does not mean, however, that the program of peaceful cooperation now before us has no bearing on the issues of peace and war. It does. If put into operation without delay, it can help lay the basis for a relaxation of tensions and facilitate progress elsewhere toward general and complete disarmament.

#### WE CANNOT AFFORD TO DELAY

Mr. Chairman, I must close with the same theme on which I commenced this presentation: We cannot afford to delay.

The space programs of the great powers are well advanced. Our own Nation is proceeding with the development of satellite systems for weather forecasting and communications. In the months ahead important decisions will have to be made. If the opportunity for United Nations action is missed, it will be increasingly difficult to fit national space programs into a rational pattern of United Nations cooperation.

Our first choice is a program making maximum use of the United Nations for at least three reasons:

Because it could bring new vitality to the United Nations and its family of agencies;

Because it would help to assure that all members of the United Nations, developed and less developed, could have a share in the adventure of space cooperation; and

Because a program of such magnitude should be carried out as far as possible through the organizations of the world community.

As I say, this is our first choice. But the march of science is irreversible. The United States has a responsibility to make the fullest possible use of new developments in space technology—in weather forecasting, in communications, and in other areas. These developments are inevitable in the near future. We hope they can take place through cooperative efforts in the United Nations.

I suppose that the great climaxes in the drama of history are seldom evident to those who are on the stage at the time. But there can be little question that man's conquest of outer space is such a moment, that we—all of us—are on stage, and that how we behave in the immediate future will have a profound impact upon the course of human affairs in the decades ahead.

There is a right and a wrong way to get on with the business of space exploration. In our judgment the wrong way is to allow the march of science to become a runaway race into the unknown. The right way is to make it an ordered, peaceful, cooperative, and constructive forward march under the aegis of the United Nations.

I most earnestly recommend your serious attention to the proposals my Government is making to this end.

#### TEXT OF RESOLUTION

##### A

The General Assembly.

Recognizing the common interest of mankind in furthering the peaceful uses of outer space and the urgent need to strengthen international cooperation in this important field,

Believing that the exploration and use of outer space should be only for the betterment of mankind and to the benefit of States irrespective of the stage of their economic or scientific development.

1. Commends to States for their guidance in the exploration and use of outer space the following principles:

(a) International law, including the Charter of the United Nations, applies to outer space and celestial bodies;

(b) Outer space and celestial bodies are free for exploration and use by all States in conformity with international law and are not subject to national appropriation;

2. Invites the Committee on the Peaceful Uses of Outer Space to study and report on the legal problems which may arise from the exploration and use of outer space.

Mr. KEFAUVER. I should also like to call attention to the testimony of the vice president of the Philco Corp., Mr. David Smith, who testified before the Committee on Small Business, and specifically the Subcommittee on Monopoly, presided over so ably by the distinguished Senator from Louisiana [Mr. Long]. Mr. Smith testified:

At the present time, the United States has accomplished a major technical achievement in space through the able R. & D. programs of the Department of Defense and the National Aeronautics and Space Administration. Now it is necessary to determine how to utilize these achievements and make their realization politically possible. We would urge that the Government establish a grand strategy to utilize these achievements to lessen world conflicts and ease world tensions. This program should be an integral part of, and in our opinion can be an important instrument in, our basic foreign policy.

The entire statement deals with the foreign policy problem. I suggest that Senators read it very carefully.

#### LEGISLATIVE PROGRAM

Mr. SMATHERS. Madam President, on behalf of the majority leader I announce that tomorrow it is the intention of the majority leader to move to temporarily lay aside the pending business and proceed to the consideration of Calendar No. 1554, House Concurrent Resolution 473, providing the express approval of the Congress pursuant to section 3(e) of the Strategic and Critical Materials Stockpiling Act—50 U.S.C. 98b(e)—for the disposition of certain materials from the national stockpile; thereafter, to consider Calendar No. 1565, S. 3203, to extend the Defense Production Act of 1950, as amended, and for other purposes; and, third, to take up the consideration of Senate bill 3291, to extend the Federal Reserve authority to purchase Treasury notes. These measures must be acted upon before the deadline, which is shortly to occur.

Mr. KEFAUVER. Madam President, I do not know whether I shall object. This is a rather strange procedure which is suggested. Two days after it was reported by the policy committee the pending business was taken under consideration on the floor of the Senate. Everyone knew it would be discussed at great length. It is not a very healthy kind of procedure to have it discussed for several days and then laid aside for something else, and then taken up again. I know the problems of the majority leader. However, does it not require a motion to set aside the pending business?

Mr. SMATHERS. It does require a motion. I am certain that the majority leader would be glad to act upon these measures at the conclusion of the pending business if he thought there would be a conclusion to it at any time in the very near future. If the able Senator



from Tennessee will permit such action, I am certain the majority leader will be perfectly willing to postpone consideration of the measures I have mentioned until after the disposition of the pending bill.

Mr. KEFAUVER. I think that the majority leader would be safe in fixing the time at about October 1 for the consideration of those measures.

Mr. SMATHERS. In other words, what the Senator is saying is that so far as he is concerned he is staying here until October 1 to debate the pending bill.

Mr. KEFAUVER. It would be worthy of debate for that length of time. I am not saying that, but I think we ought to debate this bill pretty thoroughly. I am sure the majority leader knew, when the bill was on the calendar last week, that its consideration would not be completed by July 1.

Mr. SMATHERS. If the majority leader thought he could have sufficient time to act upon the proposals which must be acted upon before the deadline, he would be glad to do so. However, the indications are that the discussion which is now in progress will be in depth; consequently, he is merely making the proper move to have these laws continued so that the other operations of the Government may go forward in an orderly fashion.

Mr. KEFAUVER. I am in favor of the Government's operations going forward in an orderly way.

Mr. GORE. Madam President, will the Senator yield?

Mr. KEFAUVER. I yield to my colleague.

Mr. GORE. I point out that my colleague from Tennessee, to my certain knowledge, has been in the Chamber all day, waiting for the privilege of addressing the Senate. It is now nearly 7 o'clock p.m., and he has been able only to get started on his speech. On the first day of the debate on the pending bill the Senator from Louisiana [Mr. LONG] was not able to obtain recognition until 4:30 o'clock in the afternoon. Yet the distinguished Senator from Florida is already inclined to brand this debate as a filibuster. I have a speech to deliver, and I have not had an opportunity to speak.

My colleague from Tennessee has barely started.

Mr. SMATHERS. Madam President, it was not I who said the debate might continue until October. I am sure the junior Senator from Tennessee does not think that if the debate were to continue until October, it would even then be called a filibuster. I merely say that the majority leader desired to have this announcement made, so that every Senator would be forewarned. It might well be that Senators would object to having this particular measure temporarily set aside in order that other measures might be taken up. I feel certain that Senators who wish to object to the proposal will have ample opportunity to be heard. The majority leader asked me to make the announcement so that Senators who might be interested might be forewarned.

Mr. HUMPHREY. Madam President, so far as any Senator being denied the opportunity to speak on the bill is concerned, the Senator from Minnesota was in the Chamber from noon until after 4 o'clock. Any time any Senator wished to obtain the floor, he surely had that opportunity. The Senator from Minnesota spent a good deal of time attempting to locate Senators in order to have the debate continue. I say this with all respect to Senators who are present; I did not want to be that sharp.

Mr. KEFAUVER. The Senator from Minnesota is mistaken. The Chair recognized the Senator from Wisconsin [Mr. PROXMIER], who spoke for about 2 hours. The Senator from Wisconsin would have finished in 2 hours had not the Senator from Minnesota engaged in a colloquy with him for about an hour and a half more. I was in my seat all the time, waiting to obtain the floor, so that I might speak.

Mr. HUMPHREY. I have fairly good vision, and I have great confidence in the Senator from Tennessee; but I looked around the Chamber a number of times and did not see any Senator champing at the bit to get the attention of the Presiding Officer, so that he might speak. I had calls made on several occasions to have a Senator come to the Chamber to speak.

The Senator is entitled to his own view. I wished only to have the RECORD clear.

Mr. KEFAUVER. I did not object to the Senator's speaking; I thought his speech was very interesting.

Mr. HUMPHREY. I thank the Senator from Tennessee.

Mr. KEFAUVER. I agreed with what the Senator said. I thought it should have been said.

Mr. HUMPHREY. I thank the Senator again. I want the Senator to know that we were attempting to accommodate distinguished Senators who apparently were hoping to have called up for consideration some bills which would not consume much time. The Senator from Tennessee is a wise, dearly beloved colleague; he is extremely able in conducting parliamentary tactics.

Mr. KEFAUVER. I observe that the Senator from Minnesota is about to ask me for something.

Mr. HUMPHREY. No; the Senator from Minnesota is about to suggest something; namely, that when he saw his good friend from Tennessee put on a dramatic performance of surprise that the majority leader may have indicated that the Senate should set aside the pending business to take up certain other measures, he knew it was about as much a surprise as to say that Christmas comes on December 25.

There has been a forewarning of this suggestion. The majority leader spoke with certain Senators about his intentions. Also, he spoke publicly in the Chamber about it, and his statement appears in the RECORD. It is his intention to move to set aside the pending business and to take up the urgent business of Congress, because certain legislation is about to expire and will have to be renewed.

The Senate will return to a consideration of the communications satellite bill. The Senator from Tennessee says he expects to be here until October. I think that is a marvelous idea. Frankly, I do not have anything to do in the fall except to stay here. I would like nothing better than to talk in October about outer space. But there is no reason not to set aside the pending business, and the pending bill will be set aside to take up urgent matters affecting the Government.

Mr. KEFAUVER. Madam President, will the Senator yield for an inquiry?

Mr. HUMPHREY. I yield.

Mr. KEFAUVER. The Senator says, "The pending business will be set aside."

Mr. HUMPHREY. The majority leader will attend to that.

Mr. KEFAUVER. It is the Senate itself that decides what will be the pending business.

Mr. HUMPHREY. That is correct.

Mr. KEFAUVER. I know of no power of an individual Senator to set aside the pending business.

Mr. HUMPHREY. A motion can always be made to set aside the pending business.

Mr. KEFAUVER. Very well. However, the point is that if I am to speak tomorrow, and it is proposed to take up some other bill, by the time I can return to my speech, everyone will have forgotten what I said before. That would be most unfortunate. I see no reason for talking to a few good Senators on this side of the aisle who seem to have their minds pretty well made up already, and to only one Senator on the minority side—and he is a very fine Senator. If it is proposed to set aside the consideration of the satellite bill, Senators will have forgotten a week later what I have said tonight. If that is the plan for tomorrow, we might as well recess now.

Mr. SMATHERS. We do not want to disturb the continuity of the Senator's speech tonight. The intention is to let him finish his speech tonight, so that Senators who are present will not have their thought processes interrupted.

It was only to apprise Senators of what the calendar for tomorrow would be that the majority leader asked that this announcement be made. I thank the Senator from Tennessee for yielding.

#### ORDER FOR ADJOURNMENT UNTIL NOON TOMORROW

Mr. SMATHERS. Madam President, I ask unanimous consent that when the business for today has been concluded, the Senate adjourn until 12 o'clock noon tomorrow.

Mr. KEFAUVER. Madam President, what has the Senator to say about my observation about my continuing to talk this evening if it is proposed to have the Senate take up some other bill tomorrow?

Mr. SMATHERS. It has not been suggested that what the Senator from Tennessee is saying is a waste of time. Much edification and instruction are being given to us this evening. The Senator should not characterize what he is

saying as a waste of time. The Senator has said he did not want to be interrupted, so it is our desire to let him finish his speech this evening, in order that there may not be an interruption of the continuity of his remarks.

Mr. KEFAUVER. My remarks will not be finished this evening; so it seems to me, in fairness to other Senators who might wish to discuss the subject, that if it is planned to take up other bills tomorrow, it would be more meaningful to let the major part of this discussion follow the action on the other bills which it is proposed to take up.

Mr. SMATHERS. I thank the Senator from Tennessee for yielding. I renew my request.

Madam President, I ask that when the business for today has been concluded, the Senate adjourn until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. SMATHERS. I thank the Senator from Tennessee.

#### COMMERCIAL COMMUNICATIONS SATELLITE SYSTEM

The Senate resumed the consideration of the bill (H.R. 11040) to provide for the establishment, ownership, operation, and regulation of a commercial communications satellite system, and for other purposes.

Mr. KEFAUVER. Madam President, we have talked about the Federal Communications Commission and about how the Commission has decided that those who will receive the greatest benefit should determine who should own or operate and receive the profits from the communications satellite. The Commission did not need to ask them to obtain a special dispensation under the antitrust laws for the purpose of having a meeting. They knew the answer to that question, because it referred to them.

But when it is proposed to offer someone a great bonanza, something of great value, and he is asked whether he is going to own it or if someone else will own it, the natural answer will be, "I want to own it"; and that was the answer.

I believe Mr. Minow would like to see some other solution of this problem. He told me—and there is some inference to this effect from his testimony—that he could see the advantages of ownership, at least at present, by the Government, because, as junior the Senator from Tennessee has pointed out, the operation cannot be a success unless the Government conducts the negotiations with other governments. But Mr. Minow's statements to me—and there is an inference to that effect in some parts of his testimony—is that he believed there would be some difficulty in having the Government retain ownership or in securing adequate, competent personnel to operate the satellite. The mistake he makes in his argument is that he assumes that everyone who will have anything to do with the operation of the facility will have to be a Government employee; that is, that the scientists and technicians who will operate the ground

stations, the scientists who will build the satellites, and the thousands of other persons who might be connected with the project, would have to be Federal employees.

I concede that there is need for salary raises for top-echelon persons, particularly scientists and engineers, in order to attract them to the Government service, although a very great many—and many are serving in NASA, in the Defense Department, in the Atomic Energy Commission, in the Tennessee Valley Authority, and in many other Government agencies—who could earn more in private employment are now in the Government employ, because they wish to dedicate their lives to the public service; and thus they are willing to make that sacrifice.

But the point is that if the work were retained by the Government, most of it would be done by contract with private corporations, as is now the case; and, as a result, the higher paid technicians and engineers of the private concerns would continue to do the work.

So there is no reason why the research and development should not be done by contract with RCA, A.T. & T., I.T. & T., Hughes, and other good companies which now are doing work for the Government. There is no reason why, by means of contract, the ground stations should not be built by private concerns; and there is no reason why they should not be leased for operation, in the public good, by private concerns. We now have a great many Government installations and arsenals for which there are operational contracts with private concerns. For instance, Harvey Aluminum operates an arsenal at Milam, in my State; and Procter & Gamble has an operational contract by means of which it provides the know-how for the operation of an arsenal; and so do the Hercules Powder Co., the Du Pont Co., and many other private concerns. A great many private concerns have contracts to operate specific programs and projects for the Government, and they do that work most successfully.

So, Madam President, it is obvious that such an arrangement could easily be made by the Government for the ground stations and almost everything else in connection with the satellite program.

In that event, the only thing the Government would have to do would be to provide the persons to make the policy decisions at the top level and the persons to review the engineering science and research, as is done now. But that work would require the services of only a comparatively small number of persons.

If Mr. Minow, the Chairman of the Federal Communications Commission, were to consider this problem in that way, I believe his position regarding how this program should be operated might very well be different. In fact, Madam President, statements that the Government cannot successfully operate anything are a part of the propaganda efforts being made in an attempt to have this body pass this bill. However, Madam President, it is not true that the Government cannot operate anything

successfully. The Government has done a phenomenally fine job, through contracts with industries and private enterprises, in every field into which it has gone; and the Government has retained unto itself only the policy decisions and the coordination at the top level. The Government has done a very fine job in connection with atomic energy, and at NASA, and in many, many other ways. For example, the Corps of Engineers has charge of the construction of many great dams and hydroelectric plants, and so does the Department of the Interior. Those projects have been developed throughout the country. However, the Corps of Engineers and the Department of the Interior do not, themselves, build those dams and hydroelectric plants. Instead, they contract with private concerns to build them; and the Government agencies retain only supervision of the construction projects.

So it is obvious that the Government is competent to develop and operate and to make negotiations for the best satellite system, and to get it into operation in the shortest possible time; and in that event the Government would not have the liability of trying to protect some other kind of investment, and would not be forced into a situation of not having the best system because that might outmode the transatlantic cables, and the Government would not then be in the position of refusing to use a better system because it might outmode some radio communications system between our country and other countries.

So there is nothing to prevent an appropriately selected private concern from contracting with the carriers, the equipment manufacturers, or the individuals needed to make the program a success.

Madam President, this procedure has been followed in many other areas vital to the national interest. No one has made the argument that the National Aeronautics and Space Administration should be transformed from a governmental agency into a private corporation because the technical knowledge of the private companies in the aerospace field would not be made available to NASA and to the American people unless these suppliers were allowed to own NASA.

The argument that it would not be possible to get A.T. & T. or RCA or other private companies to cooperate in connection with the construction and operation of the ground stations unless they owned them, is clearly not borne out by history, and is a reflection on them, because not only have they been willing to take such contracts, but they have vied for and have competed for all the large contracts on which they are engaged at the present time. Of course, they receive a good profit for the work they do.

Quite the contrary, private industry has found it very profitable to work with NASA under contract. A.T. & T., RCA, Hughes Aircraft, General Electric—in fact, a great many of our large corporations compete vigorously for the NASA contracts, and consider them very desirable from a business and financial standpoint.

A look at the communications carriers themselves will show the fallacy of the



argument that it is necessary to allow them to own the corporation if we are to have the use of their scientific skills. Neither the shareholders of the communications corporations nor the equipment manufacturers are the ones who bring the knowledge and skills to the companies. The great majority of shareholders in all these corporations are investors who have absolutely no knowledge of the technical aspects of the operation of the corporation in which they own shares of stock. The individuals who own stock in A.T. & T. are not the ones who bring to that corporation the technical knowledge of the communications industry that has facilitated the growth and prosperity of that company. Neither have the mutual funds or the pension trusts that hold A.T. & T. stock provided skills or know-how in the communications field.

Satellite communications have been made possible through research and development paid for by the U.S. Government. There is an overriding public interest in the establishment of a satellite communications system. If the skills necessary for an operational system are in existence in the United States, it is inconceivable that they will not be made available to whatever agency is finally selected as the one to be responsible for an operational system. What a mistake it would be to allow specious reasoning to serve as a base for the abandonment of policies considered by the President to be essential in regard to satellite communications.

There is, as all are aware, in this bill a provision that—

The activities of the corporation created by this act and of the persons or companies participating in the ownership of the corporation shall be consistent with the Federal antitrust laws.

At best, this amounts to locking the barn door after the horse has gone. The very creation of the private corporation would be a violation of the spirit and philosophy that led to the enactment of the antitrust laws. This philosophy has been a bulwark of our free economy for many years, and is a cherished part of our economic tradition. Beyond this, however, the difficulties which this exemption from the antitrust laws would create are manifold; and it must be remembered that this exemption is absolutely necessary if the corporation, as protected in this bill, is to come into existence.

Mr. YARBOROUGH. Madam President, I suggest the absence of a quorum. Will the Senator from Tennessee yield for that purpose?

The PRESIDING OFFICER. Does the Senator from Tennessee yield?

Mr. KEFAUVER. I yield to the Senator from Texas for that purpose.

Mr. KERR. Madam President, I object to the Senator's yielding for that purpose.

Mr. KEFAUVER. Madam President, I suggest the absence of a quorum.

Mr. SMATHERS. Madam President, I make the point of order that no business has been transacted since the last quorum call.

Mr. GORE. Madam President, I appeal from the ruling of the Chair.

Mr. KEFAUVER. The Chair has not ruled.

The PRESIDING OFFICER. The Senator from Florida is correct. No business has been transacted.

Mr. GORE. Madam President, I appeal from the ruling of the Chair.

The PRESIDING OFFICER. The question is: Shall the decision of the Chair stand as the judgment of the Senate? [Putting the question.]

The ruling of the Chair is sustained.

Mr. KEFAUVER. Madam President, I make the point that a quorum is not present. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KEFAUVER. Madam President, I ask unanimous consent that further proceedings under the rollcall be suspended.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### ENCOURAGE ILLEGAL ACTIVITIES

Mr. KEFAUVER. Madam President, this legislation would make it possible for representatives of competing firms to work together in the day-to-day conduct of the business of the satellite corporation while at the same time enjoying immunity from the antitrust laws. What more attractive opportunity could these competitors imagine to facilitate their efforts to evade the antitrust laws in other areas. Certainly the recent cases involving price fixing in the electrical industry demonstrate that some competitors will conspire when given half a chance.

Mr. YARBOROUGH. Madam President, will the Senator yield for a question?

Mr. KEFAUVER. I am very happy to yield to the Senator from Texas.

Mr. YARBOROUGH. My question to the distinguished Senator from Tennessee is this: Suppose this legislation should not pass. Would NASA have power to enter into a contract with the communications carriers, anyway, without this legislation?

Mr. KEFAUVER. It is my understanding that NASA has very broad powers to contract in connection with space and satellites, so I would answer the question in the affirmative. It would have the power.

Mr. YARBOROUGH. But without this legislation, if a group of communications carriers entered into a contract with NASA, would they be exempt from the antitrust laws?

Mr. KEFAUVER. They would not be exempt from the antitrust laws.

Mr. YARBOROUGH. So if they tried to carry on operations such as proposed without the passage of the pending bill they would run squarely into the antitrust laws.

Mr. KEFAUVER. If they tried to get together in a joint venture or a consortium, which is what it really would be, to operate a communications system of this kind, they would violate the anti-

trust laws without question, in my opinion.

Mr. YARBOROUGH. One of the things the proposed legislation would do would be to grant to them immunity from the antitrust laws of the United States, within the scope of the operations described in the bill.

Mr. KEFAUVER. Yes. This would be a permission to do something proposed to be made possible by the Government, which otherwise would be a violation of the antitrust laws. I have pointed out that not only would that be true, but also it would give to them an opportunity to meet in connection with the operations of the satellite communications system. It would provide an opportunity for getting together for the purpose of talking about other matters. The Department of Justice, in enforcing the antitrust laws, has been very strict about that.

For example, the Subcommittee on Antitrust and Monopoly has made requests for certain information from the steel companies. The steel companies would like to be able to agree about what certain definitions mean, in connection with cost data. The Department of Justice would not permit the steel companies to have their auditors get together, let alone their executives, to agree on definitions.

In this case the presidents or general managers of large communication carriers would be getting together for all kinds of purposes relating to the satellite communications system. They would not be able to do that without violating the antitrust laws, unless the bill were passed.

Mr. YARBOROUGH. The holders of the second class of stock—not the communications carriers themselves, but the holders of the second category of stock; that is, the manufacturers of electronic equipment—by virtue of this joint ownership, could likewise hold conferences as joint stockholders in the corporation, and could plan what they wished to do about manufacturing equipment. Would there not also be an exemption from the antitrust laws for the manufacturers of electronic equipment?

Mr. KEFAUVER. The Senator is correct. This would not be true with respect to some of the smaller carriers, but nearly all of the large communication carriers have their own subsidiaries for the manufacture of their hardware.

A.T. & T. has Western Electric, about which we have heard a great deal before the McClellan committee. A.T. & T. buys practically all of its equipment from Western Electric. RCA has its own manufacturing concern. General Electric has its manufacturing concern. All the large carriers have their own manufacturing concerns.

Of course, those representatives would be able to get together, and would be given a golden opportunity to arrive at arrangements which might be contrary to the antitrust laws.

I point out that the recent price-fixing cases in the electrical industry, which resulted in convictions and jail sentences in the Philadelphia trials, show

that some of the large companies—certainly some in the electrical industry—will get together and conspire if they are given half a chance to do so.

Mr. KERR. Madam President, will the Senator yield?

Mr. KEFAUVER. I am happy to yield.

Mr. KERR. Was the A.T. & T. connected with that case?

Mr. KEFAUVER. I said the electrical manufacturing companies.

Mr. KERR. Are they included in the bill?

Mr. KEFAUVER. No. I am giving that as an example of how, in many fields, large companies will get together to conspire if they are given half a chance to do so.

Mr. KERR. But the Senator is not taking the position—nor is he making the accusation—that what he has described is applicable to A.T. & T., I.T. & T., or RCA, or other carriers who are interested in having a part in this program of international communications satellites?

Mr. KEFAUVER. General Electric—

Mr. KERR. I was not talking about General Electric. I asked the Senator if he is accusing those who are contemplated as stockholders in the corporation of that to which he has referred.

Mr. KEFAUVER. No, I made it clear I was talking about the electrical manufacturers in the Philadelphia case.

Mr. KERR. Very well.

Mr. KEFAUVER. I also point out that General Electric has indicated it would like to get in. At one time General Electric had in mind forming a corporation for the purpose of participating in this program.

Mr. KERR. Madam President, will the Senator yield?

Mr. KEFAUVER. I am happy to yield.

Mr. KERR. Is the Senator accusing them of wanting to do so in an unlawful manner?

Mr. KEFAUVER. I am not accusing them at all, but General Electric happens to be the firm which had more people involved in the conspiracy in Philadelphia than any other manufacturer.

Mr. KERR. That subject is covered by the litigation to which the Senator referred, is it not?

Mr. KEFAUVER. Yes. Is the Senator contending that the A.T. & T. or RCA or other large communication carriers have no desire to violate the antitrust laws and no record of having done so? I do not think the Senator is contending that.

Mr. KERR. If the Senator does not think the Senator is contending that, the Senator suggests that he not intimate it; and if he does think it, the Senator suggests that he so state.

Mr. KEFAUVER. In any event, these companies have had antitrust cases. They were accused of violating the antitrust laws; some have been convicted and others have entered into consent decrees.

Mr. KERR. The Senator from Oklahoma asks the Senator from Tennessee to document that statement in the RECORD.

Mr. KEFAUVER. Very well; it will be documented. I shall be glad to do so.

Mr. YARBOROUGH. Madam President, will the Senator yield for a question?

Mr. KEFAUVER. I am happy to yield.

Mr. YARBOROUGH. Is it not possible, under the second category of stockholders, for the manufacturers of electrical equipment to buy stock in the corporation which would be created under the terms of the proposed bill if it should become law?

Mr. KEFAUVER. Will the Senator please repeat the first part of his question?

Mr. YARBOROUGH. Part of the proposal under the bill is that stock would be sold to authorized communications carriers.

Mr. KEFAUVER. One-half of the stock would be set aside for them.

Mr. YARBOROUGH. One-half of the stock would be sold to what is called the general public. There is a provision that:

At no time shall any stockholder who is not an authorized carrier, or any syndicate or affiliated group of such stockholders, own more than 10 per centum of the shares of voting stock of the corporation issued and outstanding.

In the second category of general stockholders the proposed law would permit a person or corporation to own 10 percent of the stock. That would permit five corporations to own 50 percent of the stock.

In that second category, which does not include authorized communications carriers, would it not be possible under the terms of the pending bill for a manufacturer of electrical equipment to own 10 percent of the stock in the corporation?

Mr. KEFAUVER. Yes, it would be possible for a manufacturer of electrical equipment to own a part of the stock set aside for the public, provided it was not a subsidiary of or connected with a communications carrier. That is, it would be possible for General Electric, Westinghouse, or Allis-Chalmers to own up to 10 percent of the stock.

Mr. YARBOROUGH. Really, the provision was designed for that purpose, was it not? As common stockholders, would not the provision permit these people to get together legally—not to conspire, but to get together legally—to talk and plan about prices they would charge for the electrical equipment they would furnish?

Mr. KEFAUVER. Of course they would discuss prices.

There is a provision which is supposed to promote competitive bidding, which I shall discuss later, but there would be discussions.

Mr. YARBOROUGH. An amendment was put in.

Mr. KEFAUVER. The Senator from Oklahoma asked me to document the facts about Western Electric and others.

Mr. KERR. I did not ask the Senator to document that. I asked the Senator specifically about A.T. & T. and I.T. & T.

Mr. KEFAUVER. Yes. I shall document the cases.

Mr. KERR. Very well. That is what I asked for.

Mr. KEFAUVER. This hardly comes as a surprise because Adam Smith, an economist of considerable reputation among advocates of a free enterprise economy, pointed out nearly 200 years ago:

People of the same trade seldom meet together even for merriment and diversion, but the conversation ends in a conspiracy against the public, or on some contrivance to raise prices.

Smith doubted that the Government could prevent "people of the same trade from assembling together," but he did feel strongly that Government "ought to do nothing to facilitate such assemblies; much less to render them necessary."

#### WHY MAKE IT EASIER?

Think of the ease with which the representatives of the firms in the communications industry or in the equipment manufacturing industry could arrange their discussion of price fixing, the allocation of markets and other such activities that enjoy great popularity in certain business circles. The number of complaints filed by the Justice Department in antitrust cases indicates that there is considerable activity in these fields even under the most adverse conditions.

Under the proposal we have before us, such violations of the antitrust laws would be almost impossible to detect. The only protection for the public interest might be that violating the antitrust laws would become so easy that it would cease to be a challenge for the imaginative and creative individuals involved and therefore might decline in popularity.

Because of the great public interest in satellite communications, it has been necessary to provide for extensive Federal regulation, coordination, and planning. The provisions of title 2 of the Satellite Communications Act are intended to implement the policies spelled out in the preceding sections of the bill. The provisions of title 2, however, are inadequate in many ways and do not afford the protection which the public must have.

#### COMPETITION VERSUS REGULATION

In areas where it has seemed necessary to approve of legalized private monopoly, primarily in the transportation and public utility fields, there has been a significant departure from traditional antimonopoly policy. The original departure from our traditional faith in competitive principles was neither final nor complete.

In the early stages of the development of the concept of regulated industries the break was partial, tentative, and very carefully circumscribed. The popular attachment to competitive principles and our deep-seated hostility toward monopoly were reflected in the many safeguards and limitations which were imposed on the early grants of privilege to public utility type corporations. When we felt compelled by institutional pressures and necessities to legalize private monopoly, we did so only with reluctance and serious misgivings. This was considered a dangerous ven-



ture which required unusual precautions against miscarriage.

The theory of natural monopoly, though having a certain element of plausibility, has never been an entirely convincing argument in our economy. When a limited degree of monopoly has seemed necessary or desirable in particular situations, our attitude has been that it was socially tolerable only when rigorously circumscribed. Early legislation in the public utility field, though authorizing monopoly, sought to preserve as much of the competitive structure in the economy as possible. This effort to retain competition was a demonstration of our faith in the freely operating market forces and reflected the prevailing mood of the late 19th and early 20th centuries.

#### GROWTH OF MONOPOLY

The concept of the public interest as originally conceived in the development of the public utility idea was sound in theory. Unfortunately, the concept fell upon bad days and as the years have passed it has been distorted into an instrument for the promotion of monopoly, primarily because of failure of the human element under powerful economic and political pressures.

Public regulation has gradually shifted its objective from protecting the public interest to protecting the monopolies created under its aegis.

Public regulation was originally intended as a substitute for competition in the limited sectors of our economy where for technical reasons competition was considered to be either impossible or undesirable.

At this point I would like to quote briefly from a book entitled "Monopoly and America" by Walter Adams and Horace Gray, both economists of excellent reputation and both established scholars in the field of monopoly problems.

In discussing the problem of regulated monopolies, they state:

The significant feature of this conception was the retention of the competitive ideal of service at cost (including a fair return on the capital employed) as the goal of public policy. Society might for practical reasons institute monopoly in special situations, but it would invoke its sovereign police power to compel such monopolies to conform to the competitive model with respect to end results. Thus, on this reckoning it was possible to have monopoly without suffering its normal consequences; to abandon competition but still enjoy its benefits; to force monopoly to behave competitively. All this, it was then believed, could be accomplished by rigorous application of the police power in the public interest.

#### ADAMS AND GRAY

Subsequent events, however, revealed basic errors in this assumption. The men of that period (the late 19th and 20th centuries) seriously misjudged the efficacy of the police power. They failed to comprehend that negative, restrictive control of individual behavior can never be a substitute for positive decisionmaking in the productive process. They underestimated the difficulties and frustrations incident to application of the police power within our constitutional, administrative, and political system. More particularly, however, they completely misapprehended the nature of legalized private monopoly—its intransigence, its resourceful-

ness, its ruthlessness, its economic and political power, its capacity to evade or subvert public regulation. They failed to foresee that increasing social dependence on the services of such monopolies would progressively strengthen their strategic position vis-a-vis the community, further diminish the limited effectiveness of public regulation, and eventually create a situation where the sovereign powers of Government would be invoked to protect and subsidize rather than to regulate.

This, Mr. President, is an accurate analysis of the breakdown of the process of public regulation. Public regulation has, as we are all too keenly aware, failed to provide a substitute for competition. In far too many instances regulation has become the servant of private rather than public interests. It is against this historical background that we must evaluate the language in title 2 of this bill in our efforts to determine whether there is therein provided adequate protection of the public interest.

#### ROLE OF PRESIDENT

Subsection (a) of section 201 deals with the role of the President. When S. 2814, the original administration bill, was first introduced, it contained a provision that the President "plan, develop, and supervise the execution of a national program for the establishment as expeditiously as possible of a communications satellite system." This was in full recognition of the need for far-reaching influences beyond the normal regulatory pattern.

The communications carriers, who have sought from the beginning to gain exclusive control of the private satellite corporation which has been proposed, fought this language bitterly. It was their contention that such language would lead to Presidential interference with the normal business operations of the private corporation, and that such interference not only was unnecessary but would make their life in terms of managing the corporation intolerable.

As a result of the arguments made by the communications carriers, the President's power was severely restricted. His role was limited to that of aiding in the development of, and fostering the execution of a national program for the establishment of an operational communications system. The Commerce Committee has improved upon the language of the bill somewhat, but the present language which assigns the President the responsibility to "aid in the planning and development and foster the execution of a national program" is still considerably weaker than the original language thought necessary by the President, and this present language is clearly inadequate in terms of protecting the public interest. The argument of the carriers seems to have been that they should be free from supervision in the operation of a satellite system, once it had passed out of the planning and development stages. Their contention that the normal regulatory forces, essentially regulation of the satellite corporation by the Federal Communications Commission, would prove adequate, ignores the fact that the FCC has never in its entire history provided the public sufficient protection through its attempts

at regulation of the communications common carriers.

Mr. YARBOROUGH. Madam President, will the Senator yield?

Mr. KEFAUVER. I am happy to yield to the Senator from Texas.

Mr. YARBOROUGH. In connection with the statement of the distinguished Senator from Tennessee in regard to the FCC and the fact that it has never furnished adequate protection to the public in the matter of rates charged by the communications common carriers, I should like to inquire of the distinguished Senator from Tennessee whether the FCC has ever audited the books of A.T. & T. or attempted to determine what the real value of their property was as a basis for making and setting a rate that would allow a reasonable return.

Mr. KEFAUVER. The undisputed testimony of Mr. Minow and others of the FCC shows that in the whole history of the Federal Communications Commission there has never been a rate case carried through to conclusion on an A.T. & T. rate. There have been some negotiations, but there has never been an investigation of what we call their assets, their investments, and everything else, which is so necessary in order to carry through to a conclusion a rate case. In connection with their overseas rates, there has never been any effort made to regulate their overseas rates until an effort was started recently, and that has been on a negotiation basis.

The FCC says that it does not have the manpower. I believe that in many instances it has not had the willpower to do so either.

Mr. YARBOROUGH. Has it ever attempted a formal rate hearing with the A.T. & T. to determine the basis for interstate charges?

Mr. KEFAUVER. It may have thought about one, and it may have started one—and I am not certain about that—but it has never carried one through.

There has never been a cost study made to see whether A.T. & T. is paying a reasonable price to its subsidiary, Western Electric, which furnishes all of its equipment. There has never been a cost study made to see whether A.T. & T. is paying reasonable prices for what it purchases.

A.T. & T. did get by negotiation some reductions in what it was to pay Western Electric, but I believe it should be pointed out that the more Western Electric charges A.T. & T. for hardware—the telephones and transformers and lines, and so forth—the better off A.T. & T. is, because that means that Western Electric is making more profit, and A.T. & T. merely passes on the charge to the rate base and to the consumer; therefore the more profit is made by Western Electric the more A.T. & T. makes. That is true of other carriers which have subsidiaries that supply them.

Mr. YARBOROUGH. Is there any reason to believe that it would be easier for the FCC to determine a rate base and to have a hearing on this whole matter of international satellite communications than it would be to have a hearing on the interstate rate base here in the United States?

Mr. KEFAUVER. There is no reason to believe that there would be. The FCC, by its record, whether because of lack of personnel or whatever it is, has not shown itself competent or able to regulate A.T. & T., nationally or internationally, in the past. There is absolutely no showing that it would be able to protect the public interest in connection with the joint ownership and operation of the space communications satellite. The public interest would not be protected, judging by the record. As the Senator has shown, it would be much more difficult to have adequate regulation of a great jointly owned space communications satellite than it would be with respect to one domestic company. Not having regulated the domestic company, I can see no hope that the public interest would be protected by the FCC in the larger venture.

Mr. YARBOROUGH. I know that the Senator, in his capacity as chairman of the Antimonopoly Subcommittee, has familiarity with the survey which the firm of Booz-Allen & Hamilton made of the Federal Communications Commission in March of 1962. It made a survey of its organization.

Mr. KEFAUVER. I am not as familiar with it as is the Senator from Texas. I know that he has asked many questions about it. It is a management survey which was paid for by the Government itself, to find out if regulation of A.T. & T. had been adequate. It found that the Commission was not able adequately to regulate them in the public interest. I would be glad to have the Senator explain it in more detail.

Mr. YARBOROUGH. I do not want to take too much time from the very illuminating address the distinguished Senator from Tennessee is making to the Senate. I wish to refer, however, to one or two sentences in the report, because they are in keeping with what the distinguished Senator has said.

Mr. KEFAUVER. I believe we should make it clear that this survey was secured and paid for by the Bureau of the Budget.

Mr. YARBOROUGH. Yes. The Bureau of the Budget paid for this survey, to determine whether the FCC was doing its job. In other words, the Bureau of the Budget, as a part of its duty, wanted to find out whether the Government's money was being efficiently spent and whether this Government agency was doing its job. I read from page 283 of the survey, as follows:

THE COMMON CARRIER BUREAU IS NOT WELL EQUIPPED TO MEET ITS RESPONSIBILITIES IN THE FACE OF A RISING WORKLOAD

This outline of Common Carrier Bureau duties has sketched areas of responsibility of an order of magnitude and significance which exceeds the Bureau's resources. Neither the physical facilities, the staff, nor the budget provided the Bureau properly reflects a recognition of the Bureau's statutory obligations. Handicapped by inadequate provision of the means of insuring a satisfactory level of regulatory activity, Bureau management has never been tested by measuring performance against feasible program objectives. Further, there is evidence that much of the Bureau staff believes that the Commission has far less interest in the Bureau's activities than is warranted. Under

these circumstances, Bureau management has been adequate but uninspired.

That was an extract from the report that I have just read. I call particular attention to this portion:

Bureau management has never been tested by measuring performance against feasible program objectives.

Does that not mean that they did not get the job done with what they had? In other words, they did not try within the limits of what they had.

Mr. KEFAUVER. The Federal Communications Commission has some very good employees and good technicians. Mr. Minow is a good man. However, the record of the FCC is not one to justify any confidence in its being able to regulate this space communications satellite in the public interest.

Mr. YARBOROUGH. I do not believe that the Common Carrier Bureau has been challenged on that score, so far as the integrity or honor is concerned. Everyone agrees that they are fine, honorable gentlemen, but they just do not measure up to having the necessary drive and energy to get the job done with what they have available. We have had some experience in the Senate with getting something done with a limited budget.

They have a limited budget. I shall read another paragraph from this report and ask the distinguished Senator from Tennessee what he has found in that connection from his study and in the hearings held by the Subcommittee on Antitrust and Monopoly. I read now from the Booz, Allen & Hamilton report:

The list of Bureau functions which are explicit or implicit in the Communications Act is in fact a lengthy one. A tabulation of those which, for lack of staff and budget, are performed in a superficial manner, or are performed for a small fraction of the total area of responsibility, also would prove lengthy.

Does not that indicate that to add further the vast duties in space activities to those which are performed now only in a superficial manner or are performed for a small fraction of the total area of responsibility would only complicate the duties which the Commission now has?

Mr. KEFAUVER. It indicates that it would be a much harder assignment than the Commission has had in the past. It has not done that in the past, so there is no real promise that it could be done in the future.

Mr. YARBOROUGH. The Booz, Allen & Hamilton report to the Bureau of the Budget in March 1962, includes a list of items which, the report says, the FCC has performed in a superficial manner, or in which they have had only a small fraction of the total responsibility. The report states:

Since January 1, 1956, accounting compliance reviews have been accomplished for only 14 of 24 Bell System companies and 9 of 40 independent telephone companies. Appendix J illustrates this by listing the dates on which accounting compliance reviews were last conducted for fully subject independent telephone companies.

In 1960, Bell System purchases from the Western Electric Co., a Bell subsidiary, amounted to \$1.8 billion, which amount be-

comes part of the rate base on which the Bell companies expect a return. Apart from occasional review of periodic reports, no examination of the books of Western Electric or other leading telephone equipment manufacturers has been undertaken to determine the reasonableness of charges to the Bell System.

Under the Communications Act, depreciation rates—a major factor in an industry with an increasingly faster rate of obsolescence for much of its equipment—must be prescribed by the FCC. Rates of Bell System companies can be reviewed every 3 or 4 years, at best. Although depreciation rates in general use are scanned for unusual factors, in fact no depletion rates have been prescribed for the independent companies subject to the FCC.

The method of timing and billing long-distance telephone calls never has been adequately examined.

I have quoted from the management consultant report, paid for by the Bureau of the Budget. It discusses how A.T. & T.—the Bell System—times and bills its long-distance telephone calls. The report states that that operation has never been adequately examined. I continue to read:

Tariffs for the relatively new broad band and private line services require study of level and structure which has not been possible to date on a scale in keeping with the rapid development of significant new services.

Disparities which exist between inter- and intrastate telephone rates for comparable distances are blamed by State authorities for inequities in revenue distribution and consequent adverse effects on local tax yields. Additional accounting studies are needed to establish acceptable separations and division of revenue.

The report then continues:

This list is susceptible to considerable extension. The point is that the Bureau is in no position to establish the reasonableness of charges in most areas of common carrier service.

In the light of this report to the Bureau of the Budget by the firm of management consultants that the Common Carrier Bureau is in no position to establish the reasonableness of charges in most areas, my question is whether the Common Carrier Bureau would be in a position to establish the reasonableness of rates in a space communications satellite system, if such a system were authorized under the law and were awarded to the A.T. & T.

Mr. KEFAUVER. I feel quite certain that the Bureau today cannot adequately do such regulating. This should be kept in mind. The report was made by an outstanding organization. It was made objectively and was paid for, as the Senator has said, by the Bureau of the Budget. In light of that report, how anyone could ever think the public would have the protection it is entitled to receive through regulation by the FCC of a space communications satellite, I cannot understand. The Commission has not been able to regulate adequately what has come within its jurisdiction; it has admitted this itself. The report is conclusive that the Commission has not made a showing that it has been able to perform this function satisfactorily in the past or will be able to do so in the future.



The assets of A.T. & T. in 1951 were approximately \$11 billion. In 1962, the assets of A.T. & T. were nearly \$27 billion. Notice the growth in 10 years from \$11 billion to \$27 billion.

But the FCC Common Carrier Bureau, which is supposed to do the regulating, and has had a bigger business to regulate as time has passed, has been reduced from approximately 170 employees to 130. That number includes clerks and secretaries, as well as technicians. So the Commission's manpower has not been increased.

Furthermore, I have not seen any real evidence of a will on the part of the FCC to regulate A.T. & T. or some of the other carriers. I believe Mr. Minow hopes that he can improve the situation. But after all, this is experience over a period of 27 years. If a communications satellite is established, this is the manner in which it will be regulated. I think we must judge what will happen in the future by what is happening now and what has happened in the past.

Mr. YARBOROUGH. That is the way Patrick Henry said it should be done.

Mr. KEFAUVER. I believe that is a part of his great speech. But the proponents of the bill seem to assume that the FCC can adequately regulate and protect the public, while they ignore the poor record of the Commission in the past.

I feel very strongly that the powers which the President of the United States thought to be necessary in order that he might be capable of providing adequate supervision over the activities of the private satellite corporation are certainly a minimum in terms of what should now be included in this bill.

There has been enough significant change in the section relating to the role which the President shall play with regard to the private satellite corporation. The original version of S. 2814 provided that the President would determine the most constructive role for the United Nations in connection with the development of the United States portion of a global satellite system. This provision as it appeared in that bill was in no way an effort to preempt any decisions or determinations which might appropriately be made by the United Nations itself. Instead, this represented a recognition of the fact that a satellite communications system is by its inherent nature an international undertaking, that our operational system which will bring the full potential benefits to all the peoples of the world must of necessity be established through the cooperative efforts of many nations.

#### OTHERS CONCERNED WITH ARMY FOOTBALL RECRUITING METHODS

Mr. LONG of Louisiana. Madam President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I am very happy to yield to the distinguished Senator from Louisiana.

Mr. LONG of Louisiana. Madam President, on Friday, June 15, I made a statement criticizing the Army for its

methods of recruiting football players, and for withholding vital information on this subject.

On that date, I made reference to a situation which had developed in the State of South Carolina. A young man who had signed a grant-in-aid contract with Clemson College was recruited by Army, and was encouraged to break his contract.

Madam President, although I have not seen the announcement, there has been read to me over the telephone an announcement that the commandants of the three service academies—the Military Academy, the Naval Academy, and the Air Force Academy—have agreed that in the future those academies will not undertake to recruit and entice to the service academies football players who have signed contracts to attend private schools and colleges. The agreement between the commandants is, as I understand, on the basis that no service academy will recruit, for football purposes, young men who have signed contracts to receive grants-in-aid from private or State colleges, on the basis that if they are not accepted by the service academies, they will go to the private State colleges concerned.

This is some improvement, and it tends to be somewhat in accord with the motto of the Military Academy, at West Point—"Honor, Duty and Country."

However, the other day I pointed out how completely in conflict with that motto it was for the Military Academy to send its representatives around the country, seeking to persuade young men to break the contracts they had made with private colleges, in order to go to the Military Academy.

Senators know that when I raised this question, I also raised the issue that Members of Congress violate the law by designating a young man as an alternate—usually a third alternate—to attend a service academy, merely so he would be available for selection by the academy board, although the young man did not come from the district of the Member of Congress who made the designation. However, it appears that thus far the academies are still holding out against "coming clean" on that portion of the program.

If the bill to increase the number of appointments to be available to the academic boards at the service academies is to be brought up at this session, I believe I shall have to make it a matter of record that Members of the Senate and Members of the House of Representatives are violating that law. It makes no sense, to me, for Congress to write a law providing that it shall be against the law for a Member of the Senate or a Member of the House of Representatives to engage in a certain kind of conduct, but not to provide for any criminal sanctions, and then proceed to cover up for those who violate the law.

I am pleased to find that the other day the distinguished junior Senator from South Carolina [Mr. THURMOND] made a very statesmanlike presentation which indicated that he agrees with me, and that the incident which developed in

regard to the recruiting of a young man who already had agreed to attend Clemson College was a breach of faith and was immoral conduct. The Senator from South Carolina made a very fine statement along that line; and I ask unanimous consent to have printed in the RECORD an article written in that connection, and published on June 8 in the New Orleans Times-Picayune. The article is entitled "Blast Dietzel Tactics—Protest by South Carolina Senator—THURMOND Hits Practice of Army Staff."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New Orleans Times-Picayune, June 8, 1962]

BLAST DIETZEL "TACTICS"—PROTEST BY SOUTH CAROLINA SENATOR; THURMOND HITS PRACTICE OF ARMY STAFF

WASHINGTON.—Senator STROM THURMOND, Democrat, South Carolina, said Thursday he has protested to Army officials against recruiting of South Carolina football prospects by West Point Coach Paul Dietzel.

THURMOND, in a statement said he had received complaints that Dietzel representatives enticed two South Carolina football players to attend West Point after they had signed to enter the University of South Carolina and Clemson.

THURMOND said he wrote Stephen Alles, Under Secretary of the Army, Tuesday, asking if the Army considers recruiting of this type as ethical and if it has the Department's approval.

"Obviously, West Point must go all over the country seeking football prospects, as it is an independent school," THURMOND said. "Further, I have always held that some of the finest young men and prospective football players in the Nation are born in South Carolina; but the practice of urging an impressionable young man to break one contract to sign another does not seem to be the type of standard which our great Military Academy should be setting for the young men of America."

#### TRANSACTION OF ADDITIONAL ROUTINE BUSINESS

By unanimous consent, the following additional routine business was transacted:

#### ADDITIONAL EXECUTIVE REPORT OF A COMMITTEE

As in executive session,  
The following favorable report of a nomination was submitted:

By Mr. ROBERTSON, from the Committee on Banking and Currency:

John P. Botti, of New York, to be superintendent of the U.S. Assay Office at New York, N.Y.

#### EXTENSION AND IMPROVEMENT OF PUBLIC ASSISTANCE AND CHILD WELFARE SERVICES PROGRAMS OF THE SOCIAL SECURITY ACT—AMENDMENTS

Mr. DOUGLAS. Mr. President, for myself and the senior Senator from Minnesota [Mr. HUMPHREY], the senior Senator from Texas [Mr. YARBOROUGH], the junior Senator from Connecticut [Mr. DODD], the junior Senator from Arkansas [Mr. FULBRIGHT], the junior

Senator from Alaska [Mr. GRUENING], the senior Senator from Florida [Mr. HOLLAND], the junior Senator from Washington [Mr. JACKSON], the junior Senator from Missouri [Mr. LONG], the junior Senator from Minnesota [Mr. MCCARTHY], the junior Senator from Montana [Mr. METCALF], the junior Senator from Utah [Mr. MOSS], the junior Senator from Rhode Island [Mr. PELL], and the senior Senator from West Virginia [Mr. RANDOLPH], I send to the desk and ask to have printed a proposed amendment to the bill H.R. 10606.

Mr. President, if adopted, this amendment would permit recipients of old-age assistance to earn up to \$25 a month without having the amount so earned subtracted from their old-age assistance grant.

As you know, the present law provides that in determining need under old age assistance the entire income and resources of an individual are taken into account. Thus, any amount an individual earns is subtracted from the grant which has been determined to represent his need. I believe it would be desirable and proper to permit old-age assistance recipients to contribute, themselves, to both their self-respect and their needs by allowing them a small amount of earnings without penalty. They should be allowed to earn a few dollars by babysitting, gardening, or other casual employment without having to break the law by not reporting it or being penalized for doing so. Moreover, the present provision discourages the recipients of old-age assistance from seeking such casual and part-time employment because if they later lose these jobs a great deal of effort and time is required to obtain restoration of their full assistance grant.

This is the same proposal which I submitted in 1956 as an amendment to the Social Security Amendments Act of that year and which the Senate adopted by a vote of 56 yeas to 34 nays. The amendment, however, was lost in conference and subsequent attempts to revive it were put off by the previous administration.

**THE PRESIDING OFFICER.** The amendments will be received, printed, and lie on the table.

#### ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, June 20, 1962, he presented to the President of the United States the following enrolled bills:

- S. 2186. An act for the relief of Manuel Arranz Rodriguez;
- S. 2340. An act for the relief of Shunichi Aikawa;
- S. 2418. An act for the relief of Elaine Rozin Recannati;
- S. 2486. An act for the relief of Kim Carey (Timothy Mark Alt.);
- S. 2562. An act for the relief of Sally Ann Barnett;
- S. 2565. An act for the relief of Michael Najeeb Metry;
- S. 2895. An act to provide for the conveyance of certain lands of the Minnesota Chipewewa Tribe of Indians to the Little Flower Mission of the Saint Cloud Diocese; and
- S. 2990. An act for the relief of Caterina Scalzo (nee Loschiavo).

#### ADJOURNMENT

**Mr. SMATHERS.** Madam President, I move that the Senate now adjourn, in accordance with the order previously entered.

The motion was agreed to; and (at 8 o'clock and 3 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Thursday, June 21, 1962, at 12 o'clock meridian.

#### NOMINATIONS

Executive nominations received by the Senate June 20, 1962:

##### DEPARTMENT OF STATE

William H. Orrick, Jr., of California, to be Deputy Under Secretary of State.

##### DIPLOMATIC AND FOREIGN SERVICE

The following-named Foreign Service officers for promotion from class 1 to the class of career minister:

Samuel D. Berger, of New York.  
Edmund A. Gullion, of Kentucky.  
Martin J. Hillenbrand, of Illinois.  
John D. Jernegan, of California.  
Thomas C. Mann, of Texas.  
Robert McClintock, of California.  
Frederick E. Nolting, Jr., of Virginia.  
Joseph Palmer 2d, of California.  
G. Frederick Reinhardt, of California.  
William M. Rountree, of Maryland.  
Roy Richard Rubottom, Jr., of Texas.  
John W. Tuthill, of Illinois.  
William R. Tyler, of the District of Columbia.

The following-named persons, now Foreign Service officers of class 2 and secretaries in the diplomatic service, to be also consuls general of the United States of America:

Sverre M. Backe, of California.  
Stanley S. Carpenter, of Massachusetts.  
Alton L. Gillikin, of North Carolina.  
William L. Hamilton, Jr., of Maryland.  
Thomas H. Lintchicum, of California.  
William H. Taft III, of Connecticut, for appointment as a Foreign Service officer of class 2, a consul general and a secretary in the diplomatic service of the United States of America.

Robert Louis Kinney, of Maryland, for appointment as a Foreign Service officer of class 2, a consul and a secretary in the diplomatic service of the United States of America.

The following-named persons, now Foreign Service officers of class 3 and secretaries in the diplomatic service, to be also consuls general of the United States of America:

Eric M. Hughes, of Virginia.  
John H. Morris, of Arizona.  
Thomas H. Murfin, of Washington.  
George W. Skora, of Arizona.

The following-named persons for appointment as Foreign Service officers of class 7, vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Raymond J. Alvarez, of California.  
William Bodde, Jr., of Maryland.  
John W. Campbell, of California.  
Donald I. Colin, of California.  
Mrs. Joyce F. Garrett, of Michigan.  
Francis M. Kinnelly, of Maine.  
Clint A. Lauderdale, of California.  
James L. Meyer, of California.  
James P. Murphy, of Oklahoma.  
Preston L. Niemi, of Washington.  
Martin Prochnik, of Colorado.  
John E. Reinertson, of Wisconsin.  
G. Henry M. Schuler, of Pennsylvania.  
Eugene R. Vikingson, of Minnesota.

The following-named persons for appointment as Foreign Service officers of class 8,

vice consuls of career, and secretaries in the diplomatic service of the United States of America:

Morris J. Amitay, of New York.  
Daniel A. Britz, of Ohio.  
James N. Bumpus, of California.  
Donald D. Casteel, of Wyoming.  
Harvey T. Clew, of Connecticut.  
Patrick J. Flood, of Ohio.  
William B. Harris, of California.  
F. Stephen Hoffman, of New York.  
Richard H. Imus, of California.  
Peter J. Lydon, of Massachusetts.  
John C. McClurg, of Missouri.  
Miss Leona M. Nelles, of South Dakota.  
Robert M. Ruenitz, of California.  
David Segal, of Connecticut.  
Reynold A. Riemer, of New York.  
Maurice M. Tanner, of Arizona.  
Frederick W. Tingley, of Maine.  
Miss Mary M. Tracy, of New Jersey.  
J. William Wenrich, of Michigan.  
Milton J. Wilkinson, of Connecticut.

The following-named Foreign Service Reserve officers to be consuls of the United States of America:

Norman C. Barnes, of Virginia.  
Hugh W. Burrows, of Michigan.  
Douglas A. Elleby, of Minnesota.  
John G. Heyn, of Connecticut.  
W. Allan Jackson, of California.  
Norman P. Scott, of Colorado.  
Edward H. Splain, of New York.  
Donald K. Taylor, of Maryland.  
Richard E. Undeland, of Nebraska.

The following-named Foreign Service Reserve officers to be vice consuls of the United States of America:

James E. Anderson, of Virginia.  
James M. Ascher, of Illinois.  
Stewart D. Burton, of Utah.  
James B. Fletcher, Jr., of Florida.  
William P. Roessner, of Virginia.  
Kenneth D. Sexson, of Illinois.  
Walter Trenta, of New York.  
G. Claude Villarreal, of Texas.  
Thomas R. Byrne, of Maryland, a Foreign Service Reserve officer, to be a consul and a secretary in the diplomatic service of the United States of America.

The following-named Foreign Service Reserve officers to be secretaries in the diplomatic service of the United States of America:

Daniel C. Arnold, of Virginia.  
Robert J. Baker, of Virginia.  
Charles I. Cooper, of Massachusetts.  
William M. Decker, of Virginia.  
Willard B. Devlin, of Pennsylvania.  
William F. Donnelly, of Ohio.  
William C. Grimsley, Jr., of Florida.  
Edward J. Nickel, of Connecticut.  
Joseph P. Sherman, of Michigan.  
Eugene F. Sillari, of New York.  
John H. Tobler, of Virginia.  
Sterlyn B. Steele, of California, a Foreign Service staff officer, to be a consul of the United States of America.

#### COMMODITY CREDIT CORPORATION

John A. Baker, of Virginia, to be a member of the Board of Directors of the Commodity Credit Corporation.

#### U.S. PATENT OFFICE

Manuel C. Rossa, of Virginia, to be an Examiner in Chief, U.S. Patent Office, vice Arthur W. Crocker, resigned.

#### U.S. COAST GUARD

Rear Adm. Donald McG. Morrison, U.S. Coast Guard, to be Assistant Commandant of the U.S. Coast Guard with the rank of vice admiral.

#### POSTMASTERS

The following-named persons to be postmasters:

##### ARIZONA

Cassenia E. Crowder, Morristown, Ariz., in place of J. P. Hamilton, retired.



Frances L. Roberts, Winkelman, Ariz., in place of I. W. Hedworth, retired.

## CALIFORNIA

Byron H. Alexander, Jr., Culver City, Calif., in place of P. H. Jarrett, retired.  
Noel F. Ricauda, Fontana, Calif., in place of D. H. Axtell, transferred.

Jimmy L. Pierce, Lamont, Calif., in place of Margaret Campbell, resigned.

Luke A. Brazo, Pico Rivera, Calif., in place of R. C. Parker, retired.

Ted Ballew, Pollock Pines, Calif., in place of D. A. Willey, resigned.

Hector G. Godinez, Santa Ana, Calif., in place of F. R. Harwood, deceased.

## COLORADO

Claude T. Cecil, Gill, Colo., in place of Clarence Townley, retired.

John A. Miller, Julesburg, Colo., in place of J. V. Twomey, retired.

Laurence Montano, Leadville, Colo., in place of C. A. Fitzsimmons, removed.

## FLORIDA

William A. Holland, Fort Lauderdale, Fla., in place of W. D. Dunifon, resigned.

J. Douglas Arnall, Venice, Fla., in place of R. E. Shallberg, retired.

## GEORGIA

James L. Sparks, Morris, Ga., in place of S. A. Teel, retired.

Amos S. Roberts, Pinehurst, Ga., in place of H. C. Brantley, retired.

## HAWAII

Edward Y. Shimabukuro, Kaunakakai, Hawaii, in place of J. D. Lewis, Jr., retired.

## ILLINOIS

Melvin A. Nourie, Aroma Park, Ill., in place of V. E. Brown, retired.

Stephen B. Evans, Ellsworth, Ill., in place of W. W. Van Gundy, deceased.

Clifford L. Lehman, Eureka, Ill., in place of C. B. O'Marah, retired.

Carl L. Karlson, Nachusa, Ill., in place of C. H. Strong, retired.

Gerald A. Melvin, Tamaroa, Ill., in place of J. E. Lee, removed.

## INDIANA

David M. Stanley, Boone Grove, Ind., in place of C. E. Baker, retired.

Eugene Hampton, Darlington, Ind., in place of M. E. Maxwell, transferred.

R. John Boch, Decatur, Ind., in place of L. W. Kirsch, deceased.

## IOWA

Kingsley M. Schaudt, Slater, Iowa, in place of M. B. Chader, deceased.

## KANSAS

John D. Beighley, Smolan, Kans., in place of A. V. Nelson, deceased.

## KENTUCKY

Eldon W. Bradley, Sebree, Ky., in place of Milton Ashby, retired.

## MAINE

Eleanor V. Cushing, Cliff Island, Maine, in place of H. E. Cushing, deceased.

Carroll H. Moulton, East Lebanon, Maine, in place of F. W. Pierce, retired.

John P. Mahar, Rumford, Maine, in place of M. B. Manson, deceased.

## MICHIGAN

Louis A. Haight, Holland, Mich., in place of Harry Kramer, retired.

Paul L. Beyett, Keego Harbor, Mich., in place of B. O. Hobolth, transferred.

Raymond C. Donaldson, Lapeer, Mich., in place of R. L. Taylor, retired.

Lawrence G. Chappel, Marlette, Mich., in place of N. F. Smith, resigned.

## MINNESOTA

Frank J. Petric, Babbitt, Minn., in place of E. J. Shega, resigned.

Gerhardt F. Proehl, Otisco, Minn., in place of K. E. Johnson, removed.

William A. Silliman, Windom, Minn., in place of W. A. Lienke, deceased.

## MISSOURI

Robert M. Blackwell, Bonne Terre, Mo., in place of V. L. Evans, resigned.

Lewis B. Papin, Chaffee, Mo., in place of O. T. Pfefferkorn, retired.

Archie M. Neff, Goodman, Mo., in place of G. L. Chancellor, deceased.

Theodor C. Bland, Kansas City, Mo., in place of A. F. Sachs, retired.

C. Eldridge Griswold, Salisbury, Mo., in place of J. F. Vermillion, retired.

H. Edith Sims, Trimble, Mo., in place of R. L. Miller, retired.

## NEBRASKA

Ellsworth C. McKay, Atkinson, Nebr., in place of A. G. Miller, retired.

Ruby M. Pump, Bennet, Nebr., in place of G. H. Smith, resigned.

## NEW HAMPSHIRE

Erwin W. Cushing, Marlow, N.H., in place of J. F. Perkins, deceased.

## NEW JERSEY

William F. Martin, Elmer, N.J., in place of L. L. Bignell, retired.

Frank A. Maressa, Stratford, N.J., in place of E. B. Carr, retired.

## NEW MEXICO

Jack S. Feerer, Logan, N. Mex., in place of A. R. Bigelow, retired.

## NEW YORK

Arthur J. Walsh, Fishers Island, N.Y., in place of A. J. Walsh, deceased.

Michael J. Vickio, Montour Falls, N.Y., in place of E. M. Galley, retired.

## NORTH CAROLINA

J. Preston Andrews, Jr., Bahama, N.C., in place of M. W. Harris, retired.

Ophelia F. Roberts, Coats, N.C., in place of Lucy Kelly, retired.

Mildred S. Bartlett, Kure Beach, N.C., in place of M. O. Saunders, retired.

Evans L. Caudle, Midland, N.C., in place of R. A. Brooks, retired.

Allen L. Olive, New Hill, N.C., in place of O. T. Gardner, transferred.

## NORTH DAKOTA

Elaine G. Majkrzak, Thompson, N. Dak., in place of Alice Russell, retired.

## OHIO

Robert E. Gilck, Ashville, Ohio, in place of S. L. Smith, deceased.

Clarence K. Basinger, Columbus Grove, Ohio, in place of C. A. McCrate, deceased.

John A. Schadle, Higginsport, Ohio, in place of L. L. Seyler, retired.

John F. Clark, Millersport, Ohio, in place of H. D. Bowers, retired.

Marvin W. Sprague, Williamsburg, Ohio, in place of H. L. Hines, retired.

## OKLAHOMA

Dwight L. Crawford, Ames, Okla., in place of L. E. Lentz, transferred.

Don A. Neumeyer, Council Hill, Okla., in place of H. H. Swadley, retired.

## PENNSYLVANIA

Arthur B. Everden, East Springfield, Pa., in place of M. G. Spencer, retired.

Robert M. Lewandoski, Harborcreek, Pa., in place of A. A. Schutte, retired.

Blair I. Showalter, Huntingdon, Pa., in place of S. E. Resley, retired.

Francis C. Bordner, Kutztown, Pa., in place of G. R. Frey, retired.

A. Thomas Carty, Lafayette Hill, Pa., in place of H. G. Mack, retired.

John P. McLaughlin, Levittown, Pa., in place of F. B. Davenport, resigned.

David W. Mabry, Mertztown, Pa., in place of E. F. Fox, retired.

Walter B. Hastings, Polk, Pa., in place of J. H. Nix, retired.

Edgar F. Rader, Jr., Stockertown, Pa., in place of Edith Schaffer, retired.

## SOUTH CAROLINA

George C. Summers, Cameron, S.C., in place of G. W. Hungerpiller, retired.

## TEXAS

Mary B. Lee, Charlotte, Tex., in place of Edna Martin, retired.

James E. Carpenter, Comanche, Tex., in place of R. L. Eaton, retired.

Johnie C. Watson, Goree, Tex., in place of E. L. O'Neal, resigned.

## VIRGIN ISLANDS

Aubrey C. Ottley, Charlotte Amalie, V.I., in place of Alvaro de Lugo, deceased.

## WASHINGTON

Clinton E. Walcher, Conway, Wash., in place of O. C. Noste, retired.

Arthur T. Koski, Deep River, Wash., in place of C. A. Appelo, retired.

## WISCONSIN

Gordon H. Mollers, Glenwood City, Wis., in place of H. E. Lauber, resigned.

## WYOMING

James P. Berry, Big Horn, Wyo., in place of K. V. Skinner, retired.

Jefferson A. Kaul, Pinedale, Wyo., in place of D. C. Carson, retired.

## IN THE ARMY

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3299:

## To be major

Laird, Wheeler E., O581530.

## To be captains

Abell, Julian L., O73588.

Abraham, Albert, 3d, O73016.

Abramowitz, Benjamin L., O73236.

Abrams, Walter G., O73280.

Ackiss, Ernest L., Jr., O72433.

Acre, Lawrence D., O78201.

Adamkewicz, Edward S., Jr., O94734.

Adams, Richard E., O73589.

Adams, Robert B., O72565.

Adams, Tom, Jr., O72669.

Adsit, Charles C., O81569.

Adsit, John M., O81570.

Agnew, Jack S., O74041.

Akin, Havis D., O72808.

Albrecht, Nelson O., O72566.

Albright, John E., Jr., O72567.

Aldrup, Earl W., Jr., O73542.

Allaire, Christopher, Jr., O73590.

Allen, James B., Jr., O78204.

Ameel, Joseph B., O72810.

Ament, Richard G., O82260.

Amlicke, John G., O84937.

Anderson, Harry E., O73120.

Anderson, James J., O72435.

Anderson, James L., O73593.

Anderson, Karl R., Jr., O72811.

Anderson, Lee E., O77252.

Andre, Peter C., O72436.

Andree, Robert G., O73594.

Antkowiak, Robert S., O88554.

Archibald, Robert J., Jr., O71438.

Arnecke, Charles O., Jr., O74055.

Ashby, Mason K., O83109.

Ashe, Oliver R., O72815.

Ashey, Clarence D., Jr., O73017.

Ayers, Bradley E., O78210.

Ayotte, Ronald J., O73122.

Backus, Richard J., O87999.

Bacon, Robert C., O73595.

Bagnal, Charles W., O73596.

Bahnsen, John C., Jr., O73597.

Bailey, George A., O77260.

Baker, A. J., O74060.

Bannister, Barry B., O94271.

Bannister, Edwin J., O74064.

Barber, Harry K., O84071.

Barge, Beverly L., O77265.

Barlow, Keith A., O73599.

Barney, Charles D., Jr., O78217.

- Barnum, James E., O78218.  
 Barrentine, Robert T., O87470.  
 Barrett, Gilbert J., O72816.  
 Barrett, Reid A., O73600.  
 Barrow, Carrell M., Jr., O85480.  
 Barry, Raymond D., O72573.  
 Bartell, Harold T., O73087.  
 Basten, Lawrence E., O72438.  
 Bates, Donald E., O73124.  
 Baty, Roy S., Jr., O72574.  
 Bauchspies, James S., O73601.  
 Bauer, Frank, O78222.  
 Baxter, Arthur S., Jr., O74067.  
 Baxter, William P., O73602.  
 Bayless, Robert E., O78223.  
 Beach, Edmund J., O72818.  
 Bean, Loring B., O78225.  
 Bear, Ben H., 2d, O73543.  
 Bearden, Thomas E., O91551.  
 Beauchamp, Irving A., Jr., O73604.  
 Beck, Edmund S., O74069.  
 Beckhoff, Otto F., O81581.  
 Beebe, Steven G., O73605.  
 Bell, Charles H., O72677.  
 Bell, Charles S., O84072.  
 Bell, James C., Jr., O90096.  
 Bell, Lawrence A., O74071.  
 Bell, Leroy C., O78227.  
 Bell, Walter C., O73286.  
 Benacquista, John J., O72575.  
 Bender, Richard C., O82309.  
 Bening, Robert G., O89318.  
 Benish, Anthony A., Jr., O73606.  
 Bennett, Donald G., O81584.  
 Bennett, Donald P., O74964.  
 Benoski, Joseph Jr., O72440.  
 Benson, Theodore DeW., O85723.  
 Berrey, Thomas G., O82262.  
 Berry, David T., O73607.  
 Berry, Fred C., Jr., O72323.  
 Bessler, Lawrence H., O85887.  
 Bihler, John O., Jr., O72820.  
 Birkenholz, Richard M., O74079.  
 Bissell, Keith, Jr., O75095.  
 Blackham, Daryl K., O73128.  
 Blackwell, Jesse E., O73609.  
 Blagg, Thomas E., O74080.  
 Blanton, Philip T., O71985.  
 Blewster, James C., O73610.  
 Bligh, Thomas F., Jr., O90382.  
 Bliss, Laurence T., O73492.  
 Blunt, Roger R., O73611.  
 Boerner, Dennis H., O74084.  
 Bolin, James P., O73612.  
 Bond, Robert E., O73129.  
 Bonnarens, Frank O., O73613.  
 Bonnett, William B., O74089.  
 Bonoan, Raymond, O73292.  
 Boozer, Harold E., O84473.  
 Born, Edward G., O94274.  
 Bortolutti, Angelo, O73614.  
 Boswell, John R., O84952.  
 Botts, Robert H., O74091.  
 Boudreau, Arthur F., O73615.  
 Bowers, Ronald C., O82145.  
 Bowes, Thomas M., O73616.  
 Boyd, William A., Jr., O81588.  
 Boyer, Henry, Jr., O73022.  
 Boylan, Steven V., O73617.  
 Boyle, Richard P., Jr., O72579.  
 Bradby, Harold N., Jr., O73989.  
 Bradford, Zeb B., Jr., O73618.  
 Bradshaw, Harold D., O85488.  
 Bramlet, James W., O78573.  
 Bramlett, Mead R., O74096.  
 Branch, John H., Jr., O89754.  
 Brandel, George P., O73619.  
 Brashears, Bobby F., O74097.  
 Brassert, Charles A., Jr., O81590.  
 Bray, John R., Jr., O73620.  
 Brice, Larry McD., O85928.  
 Brickwell, Wilbur D., O88590.  
 Brier, James R., O87481.  
 Brink, Donald W., O78241.  
 Brinkley, Charles B., Jr., O73621.  
 Brinkpeter, Charles H., O73133.  
 Britten, Samuel L., O72680.  
 Broadway, Thomas F., O73493.  
 Brodt, James H., O85490.  
 Bronson, Russell A., O74101.  
 Brooks, George W., O72681.  
 Brooks, William C., Jr., O78243.  
 Brown, Bernard B., O85130.  
 Brown, Don E., O85732.  
 Brown, Frederic J., 3d, O73622.  
 Brown, Joseph G., O72580.  
 Brown, Loy D., O73549.  
 Brown, Marion L., O87483.  
 Brown, William W., O87485.  
 Broyles, Alvin K., Jr., O74105.  
 Bruce, William A., O84073.  
 Bryant, Lloyd D., O81597.  
 Bryant, Richard L., O90479.  
 Buchanan, Paul J., O77289.  
 Bullock, Victor T., O73623.  
 Bunevich, Peter C., O85493.  
 Burcham, Jerry J., O73624.  
 Burckes, Melvin S., O77291.  
 Burgoon, Kenneth L., O83641.  
 Burke, Roderick L., O72445.  
 Burkett, Seth W., O72685.  
 Burnette, Charles D., O72832.  
 Burns, Thornton A., Jr., O73625.  
 Bush, Robert C., O72447.  
 Butler, Frank C., Jr., O72834.  
 Bynell, Harlan B., O73626.  
 Byrne, John M., O73136.  
 Byrnes, Graham F., O72451.  
 Cabral, Walter K., O72835.  
 Cahill, William J., O78254.  
 Calderwood, Earl H., O74115.  
 Caldwell, Everette G., O73627.  
 Caldwell, Richard D., O89429.  
 Callahan, James J., O78255.  
 Callaway, Charles P., O77299.  
 Calvert, Jack F., O74117.  
 Campbell, Chester F., O85406.  
 Cameron, Frank N., O77301.  
 Campbell, Frank D., O89432.  
 Campbell, Robert J., O77303.  
 Canby, Steven L., O73628.  
 Carey, Calvin C., O81598.  
 Carlisle, Alan R., O72686.  
 Carnes, Julian H., Jr., O72687.  
 Caron, Robert P., O73629.  
 Carr, Eldon D., O73630.  
 Carraway, Joseph R., O73631.  
 Carrington, Hugh C., O72582.  
 Carroll, George F., Jr., O77309.  
 Carter, Robert H., O74124.  
 Carter, Thomas D., Jr., O85978.  
 Carver, Charley A., O87700.  
 Cashman, James D., O88610.  
 Cashwell, James E., Jr., O73137.  
 Caspit, Felix L., O91788.  
 Casto, Philip C., O72690.  
 Celeste, Raymond, Jr., O73633.  
 Chamberlain, Charles M., O72583.  
 Champlin, William A., O84074.  
 Chapman, Donald G., O84075.  
 Chapman, Joseph M., O88615.  
 Chase, Charles R., O84076.  
 Chick, Robert L., O77314.  
 Chillecott, Dewey A., Jr., O77315.  
 Chisolm, Patrick D., Jr., O77316.  
 Christensen, George F., O88620.  
 Christopher, Harry G., O73638.  
 Clark, Alastair S., O87707.  
 Clark, John J., O73639.  
 Clark, Richard DeW., O72692.  
 Clayberg, Richard P., O88630.  
 Clements, Philip J., 2d, O72584.  
 Cloutier, Harold J., O73139.  
 Cluxton, Donald E., Jr., O72453.  
 Coast, Albert F., O77326.  
 Coats, Whit L., O73640.  
 Cocke, Eugene R., O73495.  
 Cockrell, Elroy M., O95004.  
 Cody, William F., O73641.  
 Coffman, Ronald L., O74131.  
 Coker, Walter R., O77327.  
 Coleman, Jerry L., O87492.  
 Coleman, Willie A., O85137.  
 Collier, Gary D., O72847.  
 Collins, Billy C., O77329.  
 Collison, John M., O81606.  
 Colquhoun, Edward W., O86004.  
 Colson, John T., O74133.  
 Comer, Winston L., O77331.  
 Comeskey, Harry A., O73642.  
 Condon, Russell W., O94918.  
 Conneely, Martin F. X., O84077.  
 Connolly, John J., Jr., O94919.  
 Conrad, Michael J., O73644.  
 Conway, Burton J., O85140.  
 Cook, John H., O81607.  
 Cook, Richard A., O74135.  
 Cook, Walter C., O94451.  
 Cooksey, David O., O72585.  
 Cooley, Andrew L., Jr., O75166.  
 Corbett, Richard L., O73992.  
 Corderman, David M., O73645.  
 Corless, Robert L., O84968.  
 Cosby, Lloyd N., O77337.  
 Costello, Charles J., O72848.  
 Coulter, Carleton, 3d, O73646.  
 Council, Cicero, Jr., O73647.  
 Counihan, Jeremiah M., O81610.  
 Count, Elmer E., O72849.  
 Cowles, Richard W., O78268.  
 Cox, Elbridge R., O78269.  
 Coyne, Robert A., O91421.  
 Crain, Wallace S., O73648.  
 Cralle, Maury S., Jr., O73649.  
 Crandall, Harry W., O73650.  
 Craver, Douglas M., O74139.  
 Crawford, Theodore A., O72694.  
 Cremer, Robert D., Jr., O73651.  
 Crews, Roy A., O85741.  
 Crews, William F., O73652.  
 Crites, William R., O73653.  
 Croft, Carl L., O73654.  
 Crompton, William B., Jr., O94283.  
 Crosby, James C., O74143.  
 Cross, Ernest E., O73655.  
 Crouch, Curtis S., Jr., O80222.  
 Crouter, Edgerton T., O73656.  
 Crowder, Thomas M., O85149.  
 Crowley, Leonard G., O91200.  
 Cullen, James F., O78273.  
 Cunningham, Clarence, O74147.  
 Curl, Richard L., O73657.  
 Curran, Gordon A., O86032.  
 Custard, Norman L., O74148.  
 Cuthbertson, Robert J., O73091.  
 Dahl, Hans E., O73028.  
 Dail, Robert B., O77346.  
 Daly, Edward F., Jr., O73658.  
 Dambrauskas, Vincent, O72459.  
 Damron, Herbert C., O73551.  
 Daniel, Bartow D., O78275.  
 Daniels, John M., Jr., O89454.  
 Dantos, Evangelos, O73660.  
 Dareos, Pete J., O77349.  
 Daub, Alfred V., Jr., O92315.  
 Daves, Phillip E., O72852.  
 Davies, Richard A., O92179.  
 Davis, Dale E., O94852.  
 Davis, Sidney, O85153.  
 Davis, Thomas C., O88044.  
 Day, Edward A., Jr., O72461.  
 Day, Frank L., O73661.  
 Day, Raymond, O85313.  
 Day, Thomas E., O78277.  
 Dayharsh, Theodore J., Jr., O73662.  
 deCamp, William S., O74155.  
 DeFrance, Rudolph B., O73663.  
 DeLeuil, Wood R., O73664.  
 DeThorne, Raymond J., O74160.  
 Del Camp, Adrian L., O81619.  
 Del Colliano, John F., O78279.  
 Delahunty, Thomas C., O72853.  
 Demers, Gerald Z., O73665.  
 Demick, Harold B., Jr., O72586.  
 Denny, Davis McC., Jr., O73997.  
 Dettmar, Richard P., O87502.  
 Devers, John P., O77357.  
 Dewey, Arthur E., O73667.  
 DiRuzza, Santi, O83649.  
 Diez, Everett S., O73669.  
 DiGennaro, William L., O73668.  
 Dilday, Colbert L., O88658.  
 Dismukes, James R., O77362.  
 Dister, Arthur C., Jr., O73092.  
 Divis, Ernest W., O86067.  
 Dixon, Bryan D., O73142.  
 Dobbs, Herbert H., O77365.  
 Dodd, Calvin G., O72856.  
 Dodd, William H., O87503.  
 Dolron, Nicholas H., O81624.  
 Donner, William O., Jr., O73998.  
 Dorand, Edwin J., O78282.  
 Dorough, Philip E., O72700.



Dottle, James C., 086079.  
 Downey, Robert H., Jr., 081626.  
 Dozier, James L., 073670.  
 Draper, Edwin L., 072858.  
 Dreybus, George N., Jr., 078294.  
 Drury, Dan La. Y., 074174.  
 Dubois, Ronald W., 078286.  
 Dugan, John E., 082267.  
 Duggan, Daniel E., 072704.  
 Dull, Harry L., Jr., 077372.  
 Duncan, Robert M., 073671.  
 Dunn, Jack A., 073672.  
 Dunn, James T., 078288.  
 Durant, John J., 078289.  
 Durkin, Michael J., 072467.  
 Eastburn, Charles E., 073673.  
 Easterling, Harry R., 089468.  
 Easton, Robert H., 073674.  
 Ebbble, Robert, 079573.  
 Ebert, Vernon E., 073675.  
 Eckert, William N., 074183.  
 Eddy, Burton A., 084080.  
 Edmiston, Charles H., Jr., 081629.  
 Edwards, Charles A., 085158.  
 Edwards, Donald M., 077374.  
 Ege, Conrad C., 073676.  
 Einseln, Aleksander, 074681.  
 Eitel, James W., 078291.  
 Elliot, Phillips G. P., 073677.  
 Elliott, Harlen O., 078292.  
 Ellis, James N., 073678.  
 Ely, Arch H. Jr., 085160.  
 Enloe, James A., 074187.  
 Esheiman, John E., 091936.  
 Esposito, Vincent J., Jr., 073679.  
 Etzler, Roy T., 085530.  
 Fambrough, John A., 2d, 089204.  
 Farmer, William P., 073680.  
 Farris, Robert I., 072706.  
 Featherstone, Stephen E., Jr., 095019.  
 Feeley, Robert F., 072867.  
 Ferguson, Charles H., 077384.  
 Fern, James R., 081635.  
 Finkle, Rodney T., 072591.  
 Fisch, Donald A., 073682.  
 Fitzgerald, John M., 2d, 082269.  
 Fitzgerald, Thomas E., 078303.  
 Fitzmorris, Lawrence B., 074198.  
 Fleming, Lynne B., 087742.  
 Fletcher, Edward N., 078304.  
 Flitcraft, Anthony D., 082324.  
 Flood, John J., 077390.  
 Florence, David L., 074199.  
 Flory, Robert A., 073684.  
 Floyd, Ralph H., Jr., 073685.  
 Flynn, James J., 089207.  
 Fogh, Frederic J., 073686.  
 Foradori, Harry L., 088682.  
 Forrell, William J., 087517.  
 Forsyth, Robert F., 086152.  
 Foss, John W., 2d, 073687.  
 Foster, Robert G., Jr., 082270.  
 Fox, Eugene, 073688.  
 Fox, Eugene A., 073689.  
 Fox, Frederick W., 072870.  
 Fraley, Harold J., 074203.  
 Fraley, Robert R., 082271.  
 Frank, Winfield C., 073690.  
 Franklin, John R., 078307.  
 Fratzke, Walter E., Jr., 094297.  
 Frazer, Rex L., 077395.  
 Frazier, Kenneth M., 072708.  
 Frederick, William R., 3d, 073692.  
 Freeman, Clinton A., 094926.  
 Freeman, Donald J., 072709.  
 French, Forrest J., Jr., 073693.  
 Frye, Ray E., Jr., 081637.  
 Fucella, Edward D., 072874.  
 Furney, Robert M., 088690.  
 Gafner, Richard L., 073331.  
 Gallier, Gary L., 072473.  
 Gange, William B., 072875.  
 Gannon, Edwin W., 084082.  
 Garcia, Heriberto A., 078314.  
 Garner, James E., 077399.  
 Garner, James G., 094750.  
 Garrison, Edgar C., 094460.  
 Garvey, Charles J., 073694.  
 Gates, Clayton S., 073695.  
 Gates, Norman B., 073554.  
 Geddes, Garth L., 080223.

Gibbons, Gerald G., 081639.  
 Gibbons, James H., 074212.  
 Gibson, Mack L., 091246.  
 Gilbertson, James S., 089985.  
 Gilliam, John J., 077405.  
 Gillie, Gerald R., 074214.  
 Gingrass, Robert J., 073336.  
 Glasson, Robert P., 073033.  
 Gleason, Joseph E., 073696.  
 Gleave, Paul R., 073149.  
 Glenn, Charles A., 073697.  
 Glock, Howard G., 073698.  
 Goad, Robert E., 082273.  
 Gochnaur, Thomas LeR., 091842.  
 Godding, Donald R., 074220.  
 Goldberg, Gerald D., 073699.  
 Gomes, Lloyd E., 072713.  
 Gonsalves, Robert F., 090089.  
 Goodman, Roland A., 078320.  
 Goodwyn, Robert T., 3d, 073701.  
 Goodyear, Clyde E., 081642.  
 Gordon, John V., 074224.  
 Gorlinski, Charles C., 073702.  
 Gorman, Jay R., 081643.  
 Gould, Frank O., 072717.  
 Gourley, William H., 078322.  
 Grace, Paul M., 078323.  
 Graesser, Donald C., 073703.  
 Graham, Robert L., 077413.  
 Graney, Donald C., 090046.  
 Grann, Richard A., 084083.  
 Grant, Gordon E., 077414.  
 Grant, Theodore, 073704.  
 Gray, Donald A., 077416.  
 Green, Charles F., 071196.  
 Gregg, Dale P., 088709.  
 Grey, Harold M., 2d, 078324.  
 Grier, William C., 074994.  
 Griffin, Thomas N., Jr., 073705.  
 Grimmer, Charles O., 074230.  
 Grinstead, John B., Jr., 073706.  
 Griscom, Ralph M., 073707.  
 Grossheim, Paul W., 078326.  
 Grover, Dwight L., 082330.  
 Groves, Billie R., 074233.  
 Gudger, Robert M., 072885.  
 Gugel, Donald N., 077419.  
 Gundaker, Frank J., 088083.  
 Gunn, Ernest R., 087769.  
 Gunning, Edward G., 072721.  
 Gunsell, Richard M., 077420.  
 Gunter, Gurnie C., 072477.  
 Gwaltney, Robert L., 073956.  
 Haas, Donald A., 078329.  
 Haley, John P., 073708.  
 Hall, Claude V., Jr., 094860.  
 Hall, Gary C., 073709.  
 Hall, Harry T., 072887.  
 Hallmark, Robert C., 089066.  
 Halsey, Milton B., Jr., 072722.  
 Hamlin, Donald A., 079580.  
 Hammel, Donald A., 073710.  
 Hammill, William C., 073227.  
 Hammer, Stephen R., Jr., 077427.  
 Hansen, Charles M., 073154.  
 Hanson, Thomas W., 073712.  
 Haponski, William C., 073713.  
 Harbor, Frank B., 073341.  
 Harding, Thomas C., Jr., 073714.  
 Hardy, Eugene A., Jr., 087528.  
 Hargett, Paul D., 078338.  
 Harmon, Marsden A., 074238.  
 Harms, Norman D., 074239.  
 Harnish, Albert G., Jr., 081652.  
 Harper, Henry H., 078839.  
 Harrell, Wilford R., Jr., 077858.  
 Harris, Arthur M., 073715.  
 Harris, James A., 073716.  
 Harris, James W., 073035.  
 Harris, Loston, 073071.  
 Hart, Rufus R., 073717.  
 Hartsock, Frank E., Sr., 090043.  
 Harvey, Richard W., 072599.  
 Hatcher, Walter L., 081653.  
 Hatchett, Monte J., 078344.  
 Hattersley, James G., 091509.  
 Hawkins, Laurence R., Jr., 071357.  
 Hay, James R., 078345.  
 Haydon, Joseph J., 073719.  
 Hayne, Paul, 3d, 073720.  
 Haynes, Jesse L., Jr., 074243.

Hazelip, Albert C., Jr., 072726.  
 Hearn, Jerry L., 074244.  
 Hedges, Oliver W., Jr., 085763.  
 Hehle, Joseph P., 085560.  
 Heikkinen, Kenneth L., 088729.  
 Hein, Paul L., 084486.  
 Hendricks, Thomas E., 089221.  
 Hensley, William R., 074007.  
 Herb, Charles D., 081657.  
 Herlik, Querin E., 084084.  
 Hermes, George A., 090061.  
 Herrman, Larry J., 078349.  
 Herrmann, Carl G., 073721.  
 Herzog, David E., 072482.  
 Hess, John P., 072898.  
 Hesse, Richard P., 077442.  
 Heverly, Charles I., Jr., 089714.  
 Hewitt, Robert A., Jr., 073722.  
 Higgins, George R., 085568.  
 Hightower, Loyal G., Jr., 089741.  
 Hill, Donald L., 075064.  
 Hill, James R., 072483.  
 Hill, Vernon B., Jr., 072731.  
 Hodges, Harold E., 074255.  
 Hodgson, William E., Jr., 072484.  
 Hoffman, Glenn F., 072899.  
 Hoffman, John F., 082276.  
 Hogan, Charles E., 087793.  
 Hoglan, Curtis F., 077453.  
 Hogue, Gale W., 071365.  
 Hoke, Richard V., 084085.  
 Holder, Floyd D., Jr., 073346.  
 Holland, Billy C., 078352.  
 Holland, Harold B., 074259.  
 Holleder, Donald W., 073723.  
 Hollowell, Emmett P., Jr., 072735.  
 Holmes, Frederick S., Jr., 073725.  
 Holmes, Justin A., 078353.  
 Holt, Charles M., Jr., 073504.  
 Holt, Robert B., 078354.  
 Holt, Roscoe L., 077456.  
 Holub, Donald J., 081660.  
 Holzheimer, Richard D., 082338.  
 Hooker, Richard D., 074263.  
 Hooker, William M., 073726.  
 Hookway, William A., 078355.  
 Hopkins, Woodard B., Jr., 074264.  
 Horan, Michael J., 088103.  
 Horn, Will H., 074266.  
 Horner, Roger H., 073213.  
 Horton, David F., 073727.  
 Hosmer, Calvin, 3d, 077459.  
 Howard, Matthew A., Jr., 085575.  
 Howell, Leamon E., 073158.  
 Howell, Thomas R., 072736.  
 Howell, William H., 077463.  
 Hoyt, Joseph M., 094864.  
 Hudman, George D., 072737.  
 Huff, Jerry H., 073728.  
 Huff, Richard A., 077466.  
 Huff, Roy F., Jr., 072903.  
 Huffman, Roy T., Jr., 084908.  
 Hull, Robert L., 073729.  
 Hunter, Joseph L., 090106.  
 Huskey, James E., 072494.  
 Husted, Frank R., 093435.  
 Hutchinson, Hugh F., Jr., 072738.  
 Hutchison, Jarold L., 073730.  
 Hutson, Leonard E., 074277.  
 Hutter, James L., 077471.  
 Hutton, John D., 074278.  
 Immschweiler, David R., 074279.  
 Ingram, Duane C., 074280.  
 Ippolito, Charles P., 074281.  
 Irving, Conrad J., 077474.  
 Islin, John A., 077475.  
 Jackson, Alan T., 089341.  
 Jackson, George F., Jr., 074284.  
 Jacobson, Jon A., Jr., 075215.  
 James, George O., 091882.  
 Jarrett, George H., 092429.  
 Jasper, Theodore C., 073731.  
 Jeffries, Charles O., 073039.  
 Jensen, Kenneth G., 078368.  
 Jerrett, Lyle E., 078369.  
 Jessup, Morris M., 073506.  
 Jezior, Anthony M., 073732.  
 Jhung, Bryson, 088758.  
 Johansen, William R., 073733.  
 Johnson, John LeR., 073734.  
 Johnson, David S., 077483.

Johnson, Harold L., O91888.  
 Johnson, Harry W., Jr., O73735.  
 Johnson, James H., Jr., O81671.  
 Johnson, James M., O84923.  
 Johnson, Jesse G., O81672.  
 Johnson, John C., O73736.  
 Johnson, William M., O88761.  
 Johnson, William V., O77487.  
 Johnston, David J., O73737.  
 Johnston, Richard R., O73738.  
 Jones, Carleton H., Jr., O74292.  
 Jones, Herbert L., O77490.  
 Jones, Maury L., O84525.  
 Jones, Robert A., O82279.  
 Jones, Robert E., O77491.  
 Jones, Warren A., O73508.  
 Jordan, Herbert A., Jr., O73352.  
 Joyce, Cecil L., O78373.  
 Joyce, Robert M., O78181.  
 Judson, Robert P., O73739.  
 Kakazu, Yoshiaki, O84087.  
 Kammerdiener, James E., O91894.  
 Kantor, George W., O78376.  
 Kattar, Richard J., O82343.  
 Kaufman, Gerald G., O72497.  
 Kaufman, Richard C., O74298.  
 Keating, Richard J., O73742.  
 Keener, Eugene F., O81676.  
 Keese, Carl C., O91617.  
 Keinath, Warren G., Jr., O73744.  
 Kelpp, Martin W., O87816.  
 Keliher, John G., O74299.  
 Kelley, Donald R., O73160.  
 Kelley, Horace S., Jr., O84088.  
 Kelley, Norman D., O78381.  
 Kelly, Emmett L., Jr., O75380.  
 Kelly, Thomas L., O77500.  
 Kem, Richard S., O73745.  
 Kemp, Freddie L., O78384.  
 Kennedy, Billie J., O77502.  
 Kennedy, Ralph P., Jr., O77504.  
 Kenyon, Peter B., O85341.  
 Kepler, Roger T., O72611.  
 Keutmann, John A., O73746.  
 Kicklighter, Claude M., O73162.  
 Klefer, Paul E., O77507.  
 Kimmel, Rex M., O73510.  
 Kincheloe, Carl E., O90170.  
 Kinder, Norman W., O74307.  
 King, Gregory N., O89234.  
 Kinum, John B., O91620.  
 Kirk, John M., O73749.  
 Kiser, Billy J., O72615.  
 Kitchen, Kenneth S., O74309.  
 Klein, Rudolph F., 3d, O74311.  
 Kneibert, Richard G., O78390.  
 Knight, John K., O72745.  
 Knowles, Kenneth J., O73750.  
 Knudsen, Walter H., Jr., O73751.  
 Kolditz, Walter, O77512.  
 Korywachak, Frank, O72500.  
 Kottich, Charles R., O73752.  
 Kovarik, David F., O84090.  
 Kreilick, Elvin A., Jr., O85594.  
 Kyle, Norman R., O77516.  
 LaCombe, William F., O92212.  
 Labonge, Carl A., Jr., O73163.  
 Lally, Michael J., Jr., O90254.  
 Lamons, Robert E., O72502.  
 Lampe, William J. R., O77517.  
 Lancaster, James G., O85595.  
 Lane, James F., O73753.  
 Lane, Robert L., O74325.  
 Lange, John H., O72912.  
 Large, Ulysses S., Jr., O77520.  
 Lascola, Harry R., O72914.  
 Lash, Peter W., O73755.  
 Lasley, Paul A., O73756.  
 Lauthers, David E., O88782.  
 Law, Laurence J., O74329.  
 Lawhorn, Douglas A., O74330.  
 Lawley, Fred W., O87833.  
 Lawson, Warren G., O72503.  
 Layfield, Marvin C., O90509.  
 LeHardy, Ward M., O73757.  
 Lea, W. J., Jr., O75230.  
 Lee, Curtis D., O90191.  
 Lee, Donald C., O73758.  
 Lee, George W., Jr., O73759.  
 Lee, Ray H., O74334.  
 Leister, Glenn A., O94315.  
 Lemmon, Samuel L., Jr., O73760.  
 Leonard, John D., O73104.  
 Lester, Robert J., O74337.  
 Levine, Seymour, O72750.  
 Levy, Norman, O73761.  
 Lewis, Henry J., O72619.  
 Lewis, Warfield M., Jr., O73762.  
 Libassi, Jerome J., O77529.  
 Lilje, Donald H., O72918.  
 Lilley, Walter G., O88790.  
 Lillich, Edward R., O72919.  
 Lindquist, Gary E., O73165.  
 Lindquist, Roy E., Jr., O73764.  
 Lindsey, Robert H., O73765.  
 Lins-Morstadt, Juan J., O81686.  
 Lipmanson, Joel D., O85607.  
 Little, Donald C., Jr., O73769.  
 Liwski, John L., O73770.  
 Lockridge, Robert W., Jr., O74341.  
 Loeffler, John F., O77536.  
 Loffert, George U., Jr., O73771.  
 Logerquist, Benjamin A., O85609.  
 Longacre, David H., O72753.  
 Longbottom, Dean A., O72126.  
 Longshore, Robert L., Jr., O78406.  
 Longuet, Charles, Jr., O73166.  
 Looney, Robert C., O88796.  
 Loria, Richard E., O81689.  
 Love, James R., O72754.  
 Lueders, Dirk H., O73772.  
 Lutz, Joseph C., O72506.  
 Lyman, Myron E., Sr., O87551.  
 Lynch, Francis D., O73105.  
 Lynch, Gerald H., O82347.  
 Lyon, William E., O73774.  
 Lytle, James H., O87843.  
 MacDonald, Frank H., O81692.  
 MacDonald, John, O77546.  
 MacKnight, Allen B., O85028.  
 MacPhail, William, Jr., O72756.  
 Maccini, Francis L., O72621.  
 Macedonia, Raymond M., O72925.  
 Macheledt, Matthew W., Jr., O78412.  
 Mackin, Richard E., O73775.  
 Macnair, Douglas G., O73258.  
 Magness, James L., O89250.  
 Mah, Joe, O85030.  
 Mahaffey, Fred K., O72926.  
 Maher, Kevin L., O73167.  
 Mahlberg, Donald S., O78413.  
 Malt, Martin B., O77553.  
 Major, Dorrance D., O81693.  
 Manhan, Robert D., O77554.  
 Manna, Paul E., O72508.  
 Manning, Robert L., O72509.  
 Manzo, John M., O77555.  
 Marino, Andrew S., O72930.  
 Mark, James C., O81695.  
 Markis, George E. G., O83630.  
 Marlow, James W., O72510.  
 Marsh, Russell L., Jr., O78415.  
 Marshall, Richard H., O81697.  
 Martin, Edwin W., Jr., O73777.  
 Martin, George J., O73778.  
 Martin, Humphrey J., O88283.  
 Martin, Richard C., O81698.  
 Martin, Thurman O., O72758.  
 Martucci, Carmen C., O94617.  
 Marvin, Harold A., O73779.  
 Masters, Robert D., O72760.  
 Mastropasqua, Domenic P., O87554.  
 Matheson, Robert G., O75073.  
 Matthews, Francis W., O73782.  
 Matthews, James E., O71834.  
 Maupin, Joe S., O81699.  
 May, Robert M., O77558.  
 Mayson, Elford M., O73783.  
 Mazur, Mitchell E., O73217.  
 McAniff, Thomas J., O73784.  
 McCahan, Walter L., O73785.  
 McCann, John R., O77561.  
 McCarty, Douglas W., O74368.  
 McConnell, Mervin G., O73786.  
 McCormick, James C., O90261.  
 McCracken, Julian W., O84713.  
 McCrelght, Randolph A., O73787.  
 McCue, Robert B., O85211.  
 McCuiston, Alan L., O75393.  
 McCulloch, William C., O82284.  
 McCurdy, Neal B., O82285.  
 McDermott, William L., O76408.  
 McDonald, Merle A., O78422.  
 McDonald, Vincent P., O77564.  
 McGee, Lester E., Jr., O77566.  
 McGinn, John J., O73788.  
 McGoff, Leo F., Jr., O83659.  
 McGowan, Garrett E., O72515.  
 McGregor, Donald V., O74381.  
 McGruder, Beverly L., O77569.  
 McHaney, Robert H., O71098.  
 McKalip, Homer D., O77571.  
 McKay, Gerald E., O72938.  
 McKee, Robert W., O77572.  
 McKee, William S., O74382.  
 McManus, Booker T., O72623.  
 McMillan, Drury C., O84924.  
 McMillan, Thad C., O78426.  
 McNall, Jack G., O77575.  
 McNatt, Orville W., O94487.  
 McNelis, David N., O78428.  
 McNulty, James W., O73791.  
 McNutt, George R., O78429.  
 McPheeters, Leander B., Jr., O74018.  
 McRee, Griffith J., Jr., O73792.  
 McWilliams, Fred M., O82286.  
 Meara, John J., O77576.  
 Mears, Charles D., Jr., O73229.  
 Medina-Goveo, Efrain, O90483.  
 Medley, George W., O72518.  
 Meisel, Karl H., Jr., O81701.  
 Meissner, Roger F., O72520.  
 Mendel, Thomas E., O78431.  
 Mericle, Russell A., Jr., O73793.  
 Merola, Paul A., O73794.  
 Meserve, Edward N., O84527.  
 Messer, Hollis D., O78433.  
 Metcalf, Jack A., O74019.  
 Meyer, Clyde E., O85214.  
 Meyer, Raleigh R., Jr., O86519.  
 Mial, Robert P., O81702.  
 Michola, Daniel S., O75076.  
 Miles, Henry B., Jr., O73795.  
 Miller, Carl S., Jr., O75253.  
 Miller, Charles H., O73108.  
 Miller, Christopher J., Jr., O72161.  
 Miller, Clemith J., Jr., O77900.  
 Miller, Duane D., O73172.  
 Miller, Leonard L., O88835.  
 Miller, Richard D., O88836.  
 Miller, Robert A., O72524.  
 Miller, Thomas LaR., O73796.  
 Miller, William T., Jr., O89262.  
 Mitchell, Glenn W., O72946.  
 Mitchell, Gregory W., O73797.  
 Mixan, Edgar J., O73218.  
 Monteith, Gerald E., O77585.  
 Montgomery, Budd V., O82288.  
 Moody, Gordon N., O78439.  
 Moody, John F., O77586.  
 Moore, David W., 3d, O73798.  
 Moore, Herbert W., O72765.  
 Moore, Jimmy N., O78442.  
 Moore, William A., O84094.  
 Morelli, Donald R., O73799.  
 Morgan, Robert D., O90515.  
 Morrell, Richard S., O90316.  
 Morris, Glenn S., O72766.  
 Morris, Richard A., O72628.  
 Morris, Robert W., O92099.  
 Morrison, William W., Jr., O78445.  
 Morse, Guy P., O89265.  
 Moses, George W., O73576.  
 Moss, Franklin A., O78446.  
 Moulton, Rodney F., O88849.  
 Muckenhirn, Charles F., O72949.  
 Munro, Robert D., O74406.  
 Munsey, Jack T., O73802.  
 Munson, Hugh W., Jr., O73803.  
 Munster, Conrad H., O84095.  
 Muntz, David C., O73804.  
 Murdoch, Thomas E., O88451.  
 Murphy, George E., O78105.  
 Murphy, Jerry C., O72527.  
 Murphy, John J., Jr., O73050.  
 Murphy, Patrick J., O77592.  
 Muth, Arnold J., O74788.  
 Myers, Clair G., O91470.  
 Myers, Read E., O87865.  
 Myrah, John M., O92494.  
 Myrick, Howard A., Jr., O78452.  
 Naddef, Wilfred J., O79609.  
 Naegel, Charles L., O78453.



Narus, William E., Jr., O73805.  
 Nauman, Alan A., O82290.  
 Neal, Jerome B., O72528.  
 Neely, Joe E., O84097.  
 Neighbors, James D., O80225.  
 Nell, Arthur G., Jr., O88858.  
 Nelson, Andrew M., O73177.  
 Nelson, Ronald A., O77590.  
 Nelson, Thomas C., O82291.  
 Nestler, Carl M., O88297.  
 Newbill, James P., O84098.  
 Newman, Charles D., O85632.  
 Newman, Frank R., O72629.  
 Newton, William P., O87573.  
 Nichols, Elwood B., O91477.  
 Nicholson, John W., O73807.  
 Nicholson, Robert K., O73808.  
 Noble, George E., O88862.  
 Nolan, John W., O77599.  
 Norton, Albert L., O89117.  
 Nugent, Edward J., O77601.  
 Nugent, Francis J., O73051.  
 Oakes, John H., O73811.  
 Oakes, Norman L., O77604.  
 Oberst, Guenter G., O94627.  
 O'Brien, Bernard J., O73809.  
 O'Bryan, William P., O81712.  
 O'Connell, Maurice P., O84099.  
 O'Connor, William H., O89567.  
 Ogren, Charles T., O73812.  
 Ohlemueller, William A., O84100.  
 O'Kane, Robert F., O72631.  
 Olchovik, Stanley, O74023.  
 Oliver, Mahatha M., O77610.  
 O'Neill, Henry R., O93066.  
 Ono, Allen K., O93067.  
 Orkand, Robert E., O77612.  
 Orr, James McD., O72531.  
 Ortner, Anthony J., O73813.  
 Osborn, John A., O74795.  
 Osborne, Walton H., 3d, O72532.  
 O'Shaughnessy, James P., O72633.  
 Oshel, Donald M., O73810.  
 Osselaer, Philip J., O87577.  
 Otsuka, Yukio, O91966.  
 Ottinger, Teddy A., O84529.  
 Owen, David T., O72770.  
 Owens, Robert C., O78459.  
 Pace, Donald L., O92234.  
 Pace, Linwood A., Jr., O94328.  
 Painter, Brookman E., O77617.  
 Palmer, Dave R., O73814.  
 Paquin, Wilfred J., O85231.  
 Paradise, James, Jr., O73815.  
 Parker, Charles R., O73816.  
 Parker, Franklin S., Jr., O94630.  
 Parker, John R., O73817.  
 Parks, Hugh W., O88872.  
 Parson, Joe W., O72961.  
 Parsons, Walter H., 3d, O74435.  
 Patrick, Farrell G., O73818.  
 Patton, David W., O72191.  
 Payne, Robert W., O72535.  
 Pearson, John R., O74437.  
 Pearson, Stanley R., O74438.  
 Pease, Charles T., O94779.  
 Pece, Henry W., Jr., O77620.  
 Peerenboom, Maurice A., Jr., O71585.  
 Pellegrinon, Ronald G., O74439.  
 Pelosi, Silvio, O73819.  
 Pemberton, Thomas G., O72636.  
 Pepper, Earl E., O78462.  
 Perkins, George R., O90530.  
 Perry, Earl E., O72536.  
 Peterson, Benjamin G., O73821.  
 Phillips, Gary R., O73822.  
 Phillips, Morgan L., Jr., O88175.  
 Phillips, Robert A., O78464.  
 Phillips, Robert G., O72637.  
 Pierce, Richard B., O73823.  
 Pitman, Kenneth M., O74443.  
 Pitre, George L., Jr., O74444.  
 Plant, Robert A., O78466.  
 Plugge, Donald W., O72540.  
 Pohly, Glenn W., O72639.  
 Polak, Alexander P., O72966.  
 Polhemus, Richard E., O74445.  
 Pollickoski, John S., O73824.  
 Poole, Charles E., Jr., O73825.  
 Porter, Jon E., O73826.  
 Posz, Joseph D., O78469.

Potter, Allen R., O78470.  
 Presley, James N., Jr., O85364.  
 Pretti, John R., O88182.  
 Price, Oscar G., Jr., O88882.  
 Priore, Fortunato R., O72971.  
 Propes, Norman C., O73581.  
 Pugh, George M., O77632.  
 Pugmire, Robert M., Jr., O74449.  
 Pulg, Joseph P., Jr., O89278.  
 Pulliam, Nathan McG., O77633.  
 Purvis, John W. G., O78471.  
 Putnam, Earl L., O85239.  
 Pybus, Fred R., 3d, O77634.  
 Quackenbush, Robert E., Jr., O73827.  
 Quest, Joseph W., O77635.  
 Quigg, Stuart M., O78473.  
 Quinlan, Harry L., O73516.  
 Quirk, Edward T., O82292.  
 Rabdau, James L., O84102.  
 Radford, James T., O73113.  
 Radosh, Burnett H., O90402.  
 Radspinner, Frank H., Jr., O87591.  
 Ragovis, George, O88890.  
 Rajala, Paul W., O73828.  
 Rall, Frederick A., O73829.  
 Ralls, Randall D., O87892.  
 Ramey, Hubert D., O74453.  
 Ramsey, John D., O72778.  
 Ramsey, Roger R., O72541.  
 Ranger, David W., O74454.  
 Ratcliff, Robert H., O88304.  
 Raudebaugh, James D., O74455.  
 Raymond, Henry J., O88891.  
 Redd, Gall R., O72542.  
 Redhair, Roger R., O73832.  
 Redline, Edward H., O73833.  
 Reed, Paul R., O72973.  
 Repp, Edgar F., O87594.  
 Rexroad, William P., O89134.  
 Rhode, Michael, Jr., O86678.  
 Rhodes, Edward F., O73834.  
 Rhodes, Lonnie D., O77647.  
 Rice, Richard C., O73185.  
 Richards, Edward T., O73835.  
 Richards, John H., Jr., O78477.  
 Richardson, George, O72974.  
 Richardson, Gerald A., O73837.  
 Richardson, William T., O77649.  
 Richey, Wayne B., O84104.  
 Rideout, Donald N., O87597.  
 Rigrish, Ernest E., O81725.  
 Riley, Leonard J., O79615.  
 Rinedollar, John D., O72977.  
 Rinker, Richard, O73838.  
 Riordan, William T., O72543.  
 Robbins, Edwin E., Jr., O72781.  
 Robinson, Benjamin F., Jr., O72782.  
 Robinson, James H., Jr., O81728.  
 Roby, Robert L., O72783.  
 Rockey, James D., O73519.  
 Rod, Ronald F., O74469.  
 Roddy, Patrick McR., O72979.  
 Rodina, Stanley L., O73186.  
 Rofrano, Paul P., Jr., O73187.  
 Rogers, John E., O73188.  
 Rohland, Robert G., O87599.  
 Roll, William C., O73840.  
 Ropp, Richard F., O77657.  
 Rose, Jerald L., O74473.  
 Rose, Richard E., O78482.  
 Rose, Robert D., O85656.  
 Rosenberg, Theodore R., O84105.  
 Rosie, Gerald J., O72980.  
 Ross, Joseph L., Jr., O77659.  
 Ross, Morrill, Jr., O73842.  
 Ross, Robert A., O73843.  
 Ross, Robert E., O78483.  
 Rostine, George W., O73844.  
 Roush, William W., O74477.  
 Rowe, Alvin G., O77661.  
 Ruhlin, James R., Jr., O95094.  
 Rundgren, Ivar W., Jr., O73846.  
 Rush, Karl C., O74479.  
 Rusk, Edward E., O74480.  
 Russell, Charles R., O73847.  
 Russell, James F., O74481.  
 Ruttman, Lloyd J., O90447.  
 Ryan, William J., O91490.  
 Ryder, Freddie O., O91997.  
 Saferstein, Thornton S., O73848.  
 Sage, Robert S., O72546.  
 Sagramoso, Daniel E., O73189.

Saint, Charles P., O73849.  
 Salamone, Luciano C., O73850.  
 Sanders, Burnett R., 2d, O73190.  
 Sanders, MacDwain, O77667.  
 Sanders, William C., 2d, O78488.  
 Sandlin, Malcom R., O78490.  
 Sandstrum, Allan W., O74834.  
 Sanford, David G., O87605.  
 Sanford, William F., O73115.  
 Santulli, John F., O94499.  
 Sarkiss, Charles DeF., O73851.  
 Saunders, LemRoy L., O88912.  
 Savard, Ronald S., O81732.  
 Sawey, James W., O74486.  
 Saxton, Benjamin P., Jr., O73852.  
 Schelhorn, Carlton L., O72983.  
 Scherer, Franklin J., O84718.  
 Schmid, Robert M., O75083.  
 Schmitz, Ralph, O93078.  
 Schmitz, Robert P., O77673.  
 Schneider, Robert S., O74491.  
 Schneider, William H., O73247.  
 Scholz, John C., O73854.  
 Schoonmaker, Marshall D., O73855.  
 Schrage, William K., Jr., O73856.  
 Schuler, Bob D., O73857.  
 Schull, Dunell V., O77677.  
 Schvaneveldt, Noel S., O73976.  
 Schwarzkopf, H. Norman, O73858.  
 Scoggins, Larry E., O77678.  
 Scott, Charles F., 3d, O73859.  
 Scott, Charles W., O73899.  
 Scott, Douglas W., O72548.  
 Scott, Robert W., O92006.  
 Scully, Robert C., O73860.  
 Seago, Pierce T., Jr., O77680.  
 Secord, John W., O81736.  
 Seeley, James L., O75084.  
 Settle, Thomas A., O85375.  
 Seufert, Edward C., O73191.  
 Sewell, James H., Jr., O73861.  
 Shannon, John W., O72648.  
 Sharer, Frank E., O73864.  
 Shattuck, Milton C., O73865.  
 Shean, Frederic L., O73866.  
 Sheehan, Stephen A., O77684.  
 Shelton, Huntley E., Jr., O92011.  
 Shelton, Samuel W., Jr., O77685.  
 Shepardson, John A., O72988.  
 Shepherd, Richard G., O73078.  
 Sheriff, Robert M., O84108.  
 Sherzer, Morton F., O78501.  
 Shipman, Wayne T., O73401.  
 Shippers, Ernon L., O72549.  
 Shirey, James C., O73867.  
 Shockley, Henry A., O72786.  
 Short, Kenneth M., O78502.  
 Short, William L., O87914.  
 Shriver, William F., O94891.  
 Shufelt, James W., O77687.  
 Sibert, Robert L., O85256.  
 Sidler, Garrett V., O73868.  
 Sleminski, Edmund J., O72787.  
 Sikorski, Leo P., O87615.  
 Simmons, Bobby B., O73192.  
 Simoni, Richard J., O72989.  
 Simons, John D., Jr., O77689.  
 Simpson, Charles E., Jr., O74513.  
 Sinclair, Allen B., O90457.  
 Sinclair, John, Jr., O78505.  
 Sirkis, Michael S., O73870.  
 Sisinyak, Mark J., O73871.  
 Sisk, Isaac R., O89291.  
 Skanchy, Robert K., O78506.  
 Skidmore, Herrol J., Jr., O73872.  
 Skidmore, Wilbur M., 2d, O73873.  
 Slaven, Joseph E., O73223.  
 Slingo, James F., O77690.  
 Sloan, John F., O73874.  
 Smart, Ernest A., O95102.  
 Smiley, Ronald H., O72790.  
 Smith, Carl D., O85668.  
 Smith, Carl G., O73520.  
 Smith, Donald B., Jr., O73875.  
 Smith, Edward P., O72653.  
 Smith, Frank L., O73876.  
 Smith, Hubert G., O86781.  
 Smith, James A., O92251.  
 Smith, Kenneth D., O89609.  
 Smith, Kenneth W., O88209.  
 Smith, Lowell G., O73877.

Smith, Richard L., O73197.  
 Smith, Scott B., O73878.  
 Smith, Stainton, O73879.  
 Smith, William F., O74520.  
 Smith, Willis B., O78509.  
 Snively, Charles C., 2d, O73880.  
 Snodgrass, John C., O73881.  
 Snowden, Edgar, 4th, O74521.  
 Soper, Robert L., Jr., O72234.  
 Sorley, Lewis S., 3d, O73882.  
 Sovers, George A., O78513.  
 Sparks, Donald E., O83666.  
 Speiser, Robin G., Jr., O73884.  
 Spence, John D., O90510.  
 Spires, James W., O73885.  
 Springstead, Bertin W., O77700.  
 St. Amour, Leo R., Jr., O72238.  
 St. Louis, Robert P., O73886.  
 St. Peter, Robert E., O77701.  
 Stallings, David W., O85264.  
 Stankevicius, Raymond J., O73199.  
 Staples, William B., O73080.  
 Stapleton, George J., O73888.  
 Staros, Edward J., O86807.  
 Stedron, Charles J., O73200.  
 Stephens, Richard B., O81535.  
 Stevens, Charles T., O81745.  
 Stevens, Edward A., Jr., O72655.  
 Stevens, Floyd M., O94895.  
 Stevens, Philip J., O74528.  
 Stevenson, Harry K., O81746.  
 Stewart, Charles A., O73409.  
 Stewart, Frank S., Jr., O77706.  
 Stewart, Roger A., O87935.  
 Stillions, Eugene L., Jr., O74532.  
 Stokes, Theodore K., O74534.  
 Stokes, William M., O74535.  
 Stone, Joseph L., Jr., O73201.  
 Stout, Anthony N., O72993.  
 Straub, James O., O73890.  
 Straughan, Robert M., O87631.  
 Stricklin, Roger B., Jr., O81747.  
 Stroup, Glenn A., O77714.  
 Strozler, James K., O73891.  
 Stubbs, Harold E., O73585.  
 Studebaker, Robert L., O92262.  
 Sturgeon, James M., O74547.  
 Stynes, Philip A., O73892.  
 Suddath, Leroy N., Jr., O73893.  
 Sullivan, Robert P., O73894.  
 Sullivan, William M., O73202.  
 Summers, Richard A., O88312.  
 Sumner, Brice S., O77718.  
 Sutton, James L., O72996.  
 Svirsky, William R., O72997.  
 Swartz, Calvin, O91400.  
 Sweetwood, Dale R., O77720.  
 Swezey, Charles F., O73895.  
 Swoboda, Edward A., O89298.  
 Sylvester, Richard D., O73896.  
 Talley, Robert E. L., O73521.  
 Tallman, Richard LaV., O92022.  
 Tapp, Richard L., O74553.  
 Taylor, Emmett K., Jr., O77721.  
 Taylor, Francis C., O77722.  
 Taylor, Joseph J., Jr., O81749.  
 Taylor, Joseph W., O77724.  
 Taylor, Terry A., O77725.  
 Taylor, Wesley L., O84533.  
 Teague, Gwynn A., O85091.  
 Teed, John F., O78523.  
 Thacker, Goebel R., O74561.  
 Thaxton, Billy J., O89153.  
 Thomas, Charles R., O77729.  
 Thomas, David L., O84534.  
 Thomas, Hiram J., O85678.  
 Thompson, Albert G., O77731.  
 Thompson, Jackson D., O74032.  
 Thompson, Richard P., O73899.  
 Thompson, Robert S., O77733.  
 Thorpe, Marvin, Jr., O72797.  
 Tobiasen, Richard D., O88978.  
 Tokarz, Walter P., O87949.  
 Toler, William K., O83667.  
 Tolfa, Edward, Jr., O84536.  
 Toilefson, Robert G., O85681.  
 Tomes, Paul J., O92136.  
 Tomlin, James R., O89155.  
 Tomlinson, Walter C., Jr., O82371.  
 Toner, Richard B., O74568.  
 Torno, Harry C., O73057.  
 Torres, Marco, Jr., O74569.  
 Treadwell, John J., 3d, O92586.  
 Tremper, Edwin O., O87954.  
 Tripp, Richard L., O73902.  
 Trouve, Raymond J., O94966.  
 Turain, George A., O84110.  
 Turley, James R., O74575.  
 Turner, Hiram B., Jr., O73904.  
 Tuszyński, Andrew J., O86879.  
 Tutwiler, James D., O85685.  
 Twitchell, Heath, Jr., O73905.  
 Twilley, Leroy G., O73225.  
 Tyler, Charles S., O81754.  
 Tyler, Thomas H., O77745.  
 Urbach, Walter, Jr., O73908.  
 Utz, John S., O73909.  
 Vaaler, John G., O87648.  
 Vall, Nathan C., O94352.  
 Valence, Edward, Jr., O73910.  
 Valerius, Millard R., O79626.  
 Van Dervort, Edmund LeR., O73911.  
 Van Giesen, Robert E., O72557.  
 Van Horn, Jonathan S., O72799.  
 VanBebber, Herman J., O74577.  
 Vandenbergh, Henry E., O77752.  
 Vaughan, Frederick C., O94900.  
 Vergot, William D., O72559.  
 Vogentanz, Peter G., O85382.  
 Vydra, Anthony L., O78533.  
 Vye, George D., O84111.  
 Wade, Herman L., O92033.  
 Wadsworth, Frederick J., O88516.  
 Wagenheim, Herbert M., O73913.  
 Wages, Jerry S., O84537.  
 Wagner, John F., O73914.  
 Wagner, Keith A., O85276.  
 Waldeck, James J., Jr., O73915.  
 Waldo, Rondel L., O73206.  
 Walker, James R., O78536.  
 Walker, Kenneth S., O73119.  
 Walker, William C., O74034.  
 Wall, John F., Jr., O73916.  
 Wallace, Edwin L., O78537.  
 Wallace, George C., O85690.  
 Wallace, James W., O73003.  
 Wallace, John W., O87654.  
 Wallington, Edward H., O77758.  
 Walsh, Gordon P., O81758.  
 Walter, John S., O77761.  
 Walton, John C., Jr., O77762.  
 Wangenheim, Richard M., O85277.  
 Wappes, George R., O87656.  
 Ward, George W., Jr., O73918.  
 Ward, Thomas J., O73005.  
 Washburn, Richard B., O73919.  
 Wasko, Frank J., Jr., O77764.  
 Waterman, Stephen, 3d, O73006.  
 Waters, George D., O85461.  
 Weathers, John T., O94903.  
 Weden, Gilbert J., O72278.  
 Wegley, Frederick L., Jr., O73008.  
 Wehl, William L., O73920.  
 Weiler, Harold E., O87680.  
 Weinstein, Leslie H., O73921.  
 Weinstein, Sidney T., O73922.  
 Wells, Norman S., O87662.  
 Wemmering, Fred A., O72804.  
 Werner, Gary LeR., O85698.  
 Wesson, Robert E., O78543.  
 West, Arvid E., Jr., O73923.  
 Westcott, William C., 3d, O73925.  
 Wheeler, Lester McF., O84113.  
 Whipple, Winthrop, Jr., O77772.  
 White, Jack A., O74593.  
 White, William T., Jr., O81760.  
 Wickware, Argle W., O81762.  
 Wien, George E., O73926.  
 Wiles, James M., O77777.  
 Wilkerson, Arlie J., O74597.  
 Wilkins, Aaron E., 2d, O92271.  
 Willcox, Lester A., O81763.  
 Willette, William P., O87667.  
 Williams, Bruce H., O72561.  
 Williams, Donald G., O74598.  
 Williams, Gary C., O73928.  
 Williams, Nelson E., O85283.  
 Williams, Richard L., O74599.  
 Williams, W. Douglas, O73929.  
 Williamson, Jerry G., O87669.  
 Williamson, Marvin M., O73930.  
 Williford, Donald E., O74600.  
 Willis, Raymond E., O94356.  
 Wilson, Carl A., Jr., O75093.  
 Wilson, Ernest B., O73931.  
 Wilson, Gary L., O78553.  
 Wilson, John W., O85704.  
 Wing, Thomas, O91727.  
 Winkel, Paul P., Jr., O73932.  
 Winkelman, Barry A., O77782.  
 Winnicki, Philip W., O81766.  
 Winship, Edwin C., O77783.  
 Winter, Thomas C., Jr., O73933.  
 Withers, George K., Jr., O73934.  
 Wittekind, Wilfred H., O74602.  
 Wolfgang, Albert E., O92274.  
 Woliver, Clarence H., Jr., O77789.  
 Wolterstorff, Jerrold D., O77791.  
 Womack, Kenneth S., O92275.  
 Woodard, James O., O89016.  
 Woodmansee, John W., Jr., O73936.  
 Woods, George J., Jr., O73937.  
 Woods, Stephen R., Jr., O73938.  
 Woolworth, Wesley B., O73013.  
 Works, Bobby, O81769.  
 Worthen, Freddie J., O78559.  
 Wright, Edward S., O88235.  
 Wright, Lloyd R., O84929.  
 Wuest, Melvin L., O73939.  
 Wurman, James W., O80232.  
 Wynn, Gerard M., O73940.  
 Yawberg, Harold D., O73208.  
 Yon, Everett M., O73941.  
 Young, David C., 2d, O92276.  
 Young, George E. W., Jr., O73942.  
 Young, Gregor T., 3d, O78561.  
 Yuhas, Robert J., O73014.  
 Zamora, Emilio B., O87674.  
 Zane, Thomas L., O77798.  
 Zeigler, Michael G., O73943.  
 Zimmerman, Martin B., O73944.  
 Zittrain, Lawrence O., O72806.  
 Zoghby, Guy A., O73251.  
 Zook, Kenneth A., O85104.  
 Zwahlen, Robert J., O72807.

#### To be captains, Chaplain

Beal, Donald B., O91751.  
 Collard, Robert W., O90612.  
 Fung, Edmond, O94456.  
 Gremmels, Delbert W., O89808.  
 Jernigan, Duile R., O91884.  
 Mills, Charlie S., O92097.  
 Murphy, James J., O89565.  
 O'Shea, Edward L., O89122.  
 Ouzts, Paul D., O91967.  
 Phillips, Major H., Jr., O92114.  
 Tolbert, Carl E., O92135.  
 Van Verth, Leroy E., O94657.  
 Weathers, Clifford T., O92143.  
 Wetherell, Sterling A., O92146.

#### To be captains, Women's Army Corps

Bizzelle, Joanals A., L496.  
 Eslick, Joyce E., L568.  
 Pleasants, Katherine, L552.  
 Pons, Mildred E., L553.  
 Smith, Carol L., L566.

#### To be captains, Medical Corps

Aguilo, Juan M., O92151.  
 Aldrich, Robert C., O94036.  
 Alexander, Jack L., O94037.  
 Allen, Ray F., O94565.  
 Anderson, Kirby V., O94039.  
 Andrews, Frank B., Jr., O94270.  
 Belknap, Harold R., Jr., O93356.  
 Bethlenfalvay, Nicholas C., O93025.  
 Boyd, Charles M., O94443.  
 Burdick, Richard E., O94051.  
 Butkus, Donald E., O94054.  
 Campbell, James A., O93370.  
 Campbell, Selma R., O93371.  
 Cordes, Charles K., O92175.  
 Cranston, John P., 3d, O94064.  
 Daus, Arthur T., Jr., O93382.  
 Doolittle, William H., O93391.  
 Duncan, Malcolm P., O92183.  
 Dyke, Charles J., O94745.  
 Edwards, Adrian L., O93395.  
 Edwards, John B., O94073.  
 Eisenstein, Elliot M., O94074.  
 Enloe, Leslie J., O93398.  
 Epling, John P., Jr., O94298.



Ewald, Roger A., 094296.  
 Facer, James C., 093399.  
 Feldman, Edgar A., 094580.  
 Feroli, Edward J., 093037.  
 Franklin, Gerald S., 094583.  
 German, Norton I., 093039.  
 Golsner, John L., 092195.  
 Goler, David, 094462.  
 Gottlieb, Lawrence H., 093042.  
 Grames, George M., 094585.  
 Gross, Joseph O., 092197.  
 Guilfoyle, Francis M., 094586.  
 Hamaker, William R., 093422.  
 Hannegan, Michael W., 093044.  
 Herrington, Jack K., 094306.  
 Holmes, Keith D., 094761.  
 Holmes, Robert A., 092203.  
 Jensen, Nelson R., 093047.  
 Jones, Graham P., 093441.  
 Kehoe, John E., 093049.  
 Krank, Daniel F., 093452.  
 LaNoue, Alcide M., 093453.  
 Larson, Alvin L., 093454.  
 Levine, Seymour, 092214.  
 Linder, William R., 092215.  
 Lodmell, John G., 094104.  
 Loeser, Louis I., 093459.  
 Lyon, Charles M., 093460.  
 McClure, Hubert L., 094108.  
 McNamara, James V., 093057.  
 Mears, William W., 093058.  
 Meril, Allen J., 093059.  
 Milo, Anton P., 093473.  
 Mitchell, David P., 093474.  
 Montgomery, Robert C., 094115.  
 Morgan, Donald W., 093478.  
 Morgan, Loren R., 093060.  
 Muir, Robert W., 093062.  
 Neely, Ernest R., 093064.  
 Olsen, Earl R., 093483.  
 Osborn, James R., 095077.  
 Parker, Jerry M., 092235.  
 Rafferty, John E., 094334.  
 Ramer, Barry S., 094783.  
 Rapoport, Morton I., 094336.  
 Readling, Thomas A., 094638.  
 Rich, Norman M., 093075.  
 Rogers, John T., Jr., 093495.  
 Ross, Stewart D., 2d, 093077.  
 Sanders, Daniel T., 093501.  
 Stevens, James C., 094651.  
 Stevenson, Robert S., 094139.  
 Stockwood, Robert C., Jr., 093084.  
 Taylor, David M., 093520.  
 Taylor, Thomas R., 093088.  
 Thering, Harlan R., 093523.  
 Thompson, Gale E., 093090.  
 Thompson, Leonard R., 093091.  
 Thorpe, George J., 093092.  
 Toth, William N., 093093.  
 Townsley, James T., 3d, 094146.  
 Villella, Ronald L., 093095.  
 Warrender, Charles L., 093538.  
 Watanabe, Henry K., 094154.  
 Watson, Ralph J., 094799.  
 Werth, Jude N., 093098.  
 Wilitala, Walter W., 094905.  
 Wissel, August G., 093099.  
 Young, Frank C., Jr., 093545.  
 Zalis, Edwin G., 092277.

#### To be captains, Dental Corps

Bullard, Jesse T., 093030.  
 Gary, Ralph R., 095025.  
 King, Billie C., 094095.  
 Sinton, Thomas S., 091687.  
 Uotinen, Kyosti G., 094798.

#### To be captains, Veterinary Corps

Davidson, David E., Jr., 093383.  
 Hildebrandt, Paul K., 095039.  
 Kinnamon, Kenneth E., 092080.  
 McNellis, John O., 091643.  
 Pulliam, James D., 092239.  
 Watsabaugh, Charles J., 093097.

#### To be captains, Medical Service Corps

Allen, Turman E., Jr., 076818.  
 Bass, Bobbie R., 073019.  
 Beach, Douglas J., 076819.  
 Bourland, Gene M., 088577.  
 Bradford, Charles E., 073131.

Brannock, Joseph E., Jr., 088244.  
 Causey, James A., 084136.  
 Chiel, Dante A., 076822.  
 Cuzick, William T., 084760.  
 Dean, John W., 084152.  
 Decker, Walter J., 085519.  
 Demaree, Gale E., 085743.  
 Dettor, Charles M., 072697.  
 Donato, Joseph J., 085744.  
 Dorsett, Herbert F., 073067.  
 Dowery, Gordon K., 072701.  
 Early, Ralph T., 072468.  
 Erickson, Duane G., 075352.  
 Green, Bruce E., 076824.  
 Heinz, Robert F., Jr., 072481.  
 Hughes, Joe C., 085772.  
 Jackson, Raymond A., 073240.  
 Jacobs, Claude G., Jr., 088402.  
 Johnson, David E., 085422.  
 Joyce, Brendan E., 085011.  
 Kays, John M., 088408.  
 McFarland, Joseph H., 085435.  
 Mikkelsen, Richard C., 073171.  
 Muzzio, Robert J., 074409.  
 Neugebauer, Donald L., 080350.  
 Paris, Henry J., Jr., 091663.  
 Paul, Hinton G., Jr., 076829.  
 Pfeiffer, William G., 078166.  
 Potin, James B., 083560.  
 Salmon, Ray W., Jr., 078168.  
 Sisk, Leonard C., 072789.  
 Timmons, John A., Jr., 073204.  
 Ungar, Ralph F., 088315.  
 Van Meer, James E., 084290.  
 Weinert, Charles M., 086919.  
 White, John J., 087988.  
 Williams, Edwin H., 087970.  
 Yim, Herbert K., 091434.  
 Ziebell, Earl L., 086975.

#### To be captains, Army Nurse Corps

Barkley, Velma J., N2879.  
 Capper, Edna L., N2778.  
 Carlson, Vivienne C., N2947.  
 Clark, Anna M., N3045.  
 Condit, Mary M., N2864.  
 Donnelly, Gwendolyn N., N3047.  
 Dubatowski, Doris T., N2786.  
 Fitzroy, Barbara M., N2899.  
 Freidhoff, Eria J., N2872.  
 Galloway, Katherine F., N3032.  
 Gann, Ellen J., N2978.  
 Gately, Miriam A., N3052.  
 Hovind, Virginia D., N2911.  
 Jagiello, Helen D., N3020.  
 Johnson, Nevalda T., N3026.  
 Joyner, Mary E., N2979.  
 LaRock, Ethel B., N2884.  
 Learned, Grace, N2972.  
 McLeod, Alva J., N2991.  
 Nellis, Virginia M., N2973.  
 Reed, Della K., N2980.  
 Schadi, Hilda T. A., N2907.  
 Yoder, Dolores E., N3040.

#### To be captains, Army Medical Specialist Corps

Davis, Barbara A., M10178.  
 McGown, Helyn L., M10177.  
 Pfeiffer, Violet R., M10179.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified under the provisions of title 10, United States Code, sections 3283, 3284, 3286, 3287, and 3288:

#### To be majors

Riley, Francis J., Jr., 01307467.  
 Wetherill, Jerry G., 01342137.

#### To be captains

Hobby, Thomas K., 01931299.  
 Johnson, James P., 01877290.  
 Knox, Owen H., 04030918.  
 Mills, Robert W., 02266273.

#### To be first lieutenants

Alton, Gary O., 04061018.  
 Blank, Lyle E., 04074682.  
 McKay, Michael J., 04061216.  
 Pallo, Carl A., 02304720.  
 Silvey, Bruce D., 05402538.

#### To be second lieutenants

Benca, John P., 05006744.  
 Blaz, Donald J., 05215713.  
 Clark, David E.  
 Herholz, Paul R., Jr., 05214753.  
 Jeffords, James P., 05211989.  
 Jobe, Kenneth D., 05512170.  
 Johnston, William D., 05007136.  
 Lamb, John C., 05307362.  
 McDaniel, Gary D.  
 Mulvanity, Thomas W., 05311716.  
 Raley, Michael D., 05307919.  
 Sodano, Guy R., 05002879.  
 Spitzer, Joel S., 05401793.  
 Washington, Raleigh B., 05309700.  
 Zimmers, Joe L., 05312084.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287, 3288, 3289, 3290, 3291, 3292, and 3294:

#### To be major, Medical Corps

Cabezas, Miguel E., 04077958.

#### To be captains, Army Nurse Corps

Johnson, Martha E., N768634.  
 Tirado-Gonzales, Crislonia, N900806.

#### To be captains, Dental Corps

Genova, James J., 05500579.  
 Morrow, Raymond K., 05408442.  
 Simmons, Donald E., 05312612.  
 Zingale, Joseph A., 05202617.

#### To be captains, Medical Corps

Gaskill, Harold V., Jr., 0973970.  
 Hammond, Charles, 05501283.  
 Jiamachello, Nicholas, 05208322.  
 Keuls, Hans A., 05209647.  
 Littell, Delvin E., 02295469.  
 Mahoney, William D., 02295417.  
 Major, John E., 04012792.  
 Moore, Marcus M., 02295623.  
 Pruitt, Basil A., Jr., 05003936.  
 Robinson, Henry A., Jr., 04071080.  
 Schwartz, Marvin N., 02297978.

#### To be captain, Medical Service Corps

MacEntee, John L., Jr., 01891294.

#### To be first lieutenant, Army Nurse Corps

Heltsman, Lois J., N5200300.

#### To be first lieutenant, Dental Corps

Clancy, James M., 05004803.

#### To be first lieutenants, Judge Advocate General's Corps

Mowry, Richard E., 02304749.  
 Tips, Robert H., 02303657.

#### To be first lieutenants, Medical Corps

Arthur, James D., 02300764.  
 Becker, Arthur A., 02305104.  
 Bolick, Larry E., 05703680.  
 Cohen, Richard J., 05004579.  
 Gates, Francis K., Jr., 05209939.  
 Harrell, Jerry D., Jr., 05203257.  
 Hurwitz, Richard A., 04065176.  
 Miller, Donald F., 05004198.  
 Monzingo, George F., 02303735.  
 O'Rourke, George W., 02300846.  
 Rainville, Thomas J., 02305040.  
 Shown, Thomas E., 02305169.

#### To be first lieutenant, Medical Service Corps

Grodt, Robert G., 05703448.

#### To be first lieutenants, Veterinary Corps

DelFavero, John E., 02300662.  
 Pakes, Steven P., 04069732.

#### To be second lieutenants, Army Nurse Corps

Kisella, Mary A., N5411424.  
 Phelps, Carol L., N5407360.

#### To be second lieutenants, Medical Service Corps

Anderson, Ralph L., 05213297.  
 Barnes, Perry A., 02300876.  
 Kistler, Thomas E., Jr., 05201733.  
 Milne, Richard B., 04083522.  
 Waters, George A., Jr., 05309538.

The following named distinguished military students for appointment in the Regular Army of the United States, in the grade and corps specified, under the provisions of title 10, United States Code, sections 3283, 3284, 3285, 3286, 3287, 3288 and 3290:

To be second lieutenants, Medical Service Corps

Ake, Robert M.	Piercy, Charles K.
Bigelow, Robert T.	Thompson, Dale L., Jr.
Helin, Donald D.	
Hostetter, Donald L.	Van Broekhoven, Rolin A.
Moreland, William F.	

The following named distinguished military students for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, Sections 3283, 3284, 3285, 3286, 3287, and 3288:

Adorian, Stephen J., Jr.	Magenis, Richard S.
Anderson, Francis E.	Massey, George M.
Bailey, Joseph N., Jr.	McLane, Earl L.
Barnett, Joseph T.	Montgomery, James R.
Bartlett, LeRoy, III	Moore, Larry D.
Becker, Robert A.	Mueller, Thomas O.
Beckner, Donald W.	Mueller, Tommy R.
Belcher, Billie	Neisser, James A.
Black, James W.	Nichols, Brent H.
Branch, Boyd R.	Norberg, Edward J., Jr.
Brick, Charles S.	Norvell, Benjamin R.
Brown, Kenneth N.	O'Connor, Dennis L.
Brown, Martin A., III	O'Donnell, Thomas J., Jr.
Burns, Thomas B., Jr.	
Callahan, James E.	Overcash, Johnny B.
Caram, Meredith H.	Paris, James R.
Coleman, John L.	Pasley, John R.
Dalziel, Dean A.	Pedone, Peter J.
DeGroot, Michael H.	Poehler, Bruce B.
DeRossett, William J.	Powers, William S.
Dick, William H.	Quirk, Gerald L.
Dillard, James H.	Reynolds, Marcel F.
Doleschal, Walter	Richardson, Thomas C.
Feeley, Thomas M.	
Feldman, Henry J.	Rickswold, Ellis G.
Finnell, Woolsey, III	Root, David K.
Fischer, William F.	Rutherford, Jerry R.
Glosson, Clyde W.	Salas, Andres E.
Gurnee, Ronald W.	Sellers, Kervin R.
Halsey, Franklin M.	Snyder, Bradley J.
Hand, David E.	Solis, Emilio R.
Harris, Donald W.	Spears, Lacy L.
Hasbrouck, Joseph F.	Spencer, Thomas A.
Helvey, Robert L.	Spivey, David A.
Henry, Joseph R.	Stephens, Robert L., Jr.
Hill, Ralph L.	
Hohmann, Errol G.	Swant, Billy J.
Hon, Hollie T., Jr.	Tallman, Harold S.
Howe, Edward G.	Tellier, John A.
Hower, Robert G.	Trigg, Thomas R., Jr.
Irby, Dewitt T., Jr.	Tryon, Michael A.
Izzard, William A.	Wamre, Dennis M.
Johnson, Charlton G., Jr.	Ward, Robert E., III
	Weeks, Robert S.
Johnson, Walter deF.	Wells, Wade G., II
Jorgensen, James P.	Westberg, William J.
Karlenseng, Robert C.	Wilkinson, James E., Jr.
Kennedy, Howard, IV	
Kovach, James E.	Wright, Carleton C., Jr.
LaBoa, Guy A. J.	
Larson, James W.	Wright, Rodney L.
Loftus, James S., Jr.	Yearout, Robert D.

## CONFIRMATIONS

Executive nominations confirmed by the Senate June 20, 1962:

### DEPARTMENT OF COMMERCE

Herbert W. Klotz, of Virginia, to be an Assistant Secretary of Commerce.

### FEDERAL POWER COMMISSION

Harold C. Woodward, of Illinois, to be a member of the Federal Power Commission for the term of 5 years expiring June 22, 1967. (Reappointment.)

## HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 20, 1962

The House met at 11 o'clock a.m. The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Matthew 9: 36: *When He saw the multitudes, He was moved with compassion on them.*

Almighty God, as we think of the vast multitudes who inhabit this world, we shamefully acknowledge that for many life is a difficult struggle, full of peril and fraught with despair.

When we look at them we also are moved with compassion, for it seems as if their whole earth is a place of griefs and graves, and each day a veritable combat against odds and handicaps which often cause their hearts to ache and break.

We are not asking Thee to bless us with a sheltered life, secluded from all hardships and hazards, for human experience teaches us that these are the things men live by and attain with fullness of maturity.

Grant that we may incarnate the spirit of our Lord whose faith was strong and radiant, enabling Him to transmute loss into gain and defeat into victory.

Hear us in His name. Amen.

## THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced the appointment of the Senator from Idaho, Mr. DWORSHAK, as an additional conferee on the bill (H.R. 10802) entitled "An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1963, and for other purposes."

## WEST VIRGINIA'S CENTENNIAL

Mr. HECHLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HECHLER. Mr. Speaker, 99 years ago today, June 20, 1863, while Abraham Lincoln was President of the United States, the State of West Virginia was admitted to the Union. Several years ago there came into my possession an American flag with 35 stars which was the flag used when West Virginia was admitted to the Union, West Virginia being the 35th State.

With the permission of the Speaker and the House, I should like to display this flag this morning, as a means of calling attention to the centennial of the great State of West Virginia, which will occur next year.

I hope that all those who see this 35-star American flag, and who hear or read these remarks, may come to the West Virginia Centennial celebration. On behalf of the State of West Virginia, I especially want to invite all of my colleagues to visit West Virginia in 1963.

## CALL OF THE HOUSE

Mr. MACK. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 120]

Adair	Fisher	Morrow
Addonizio	Flood	Moulder
Alford	Frazier	Powell
Bass, N.H.	Frelinghuysen	Rains
Bennett, Mich.	Garland	Riley
Blatnik	Glenn	Saund
Blitch	Gray	Scranton
Boykin	Griffin	Slack
Brademas	Harrison, Va.	Smith, Miss.
Brewster	Hoffman, Mich.	Spence
Celler	Horan	Stubblefield
Curtis, Mass.	Jarman	Thompson, La.
Davis, Tenn.	Kearns	Thompson, Tex.
Dawson	Lennon	Tupper
Denton	Loser	Van Zandt
Diggs	McDonough	Yates
Farbstein	May	

The SPEAKER. On this rollcall, 385 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## PERSONAL EXPLANATION

Mr. KING of Utah. Mr. Speaker, on yesterday, June 19, I was absent from the city on account of official business. I should like the RECORD to show that had I been present I would have voted against the motion to recommit on H.R. 12154, a bill to amend the Sugar Act, and I would have voted in favor of the bill on final passage.

## FOOD AND AGRICULTURE ACT OF 1962

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 11222) to improve and protect farm income, to reduce costs of farm programs to the Federal Government, to reduce the Federal Government's excessive stocks of agricultural commodities, to maintain reasonable and stable prices of agricultural commodities and products to consumers, to provide adequate supplies of agricultural commodities for domestic and foreign needs, to conserve natural resources, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further